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Bureau of Narcotics.

LAW AND REGULATIONS RELATING TO THE IMPORTATION, MANUFACTURE, PRODUCTION, COMPOUNDING, SALE, DEALING IN, DISPENSING, PRESCRIBING, ADMINISTERING, AND GIVING AWAY OF MARIHUANA

[The original document as filed with the Division of the Federal Register, The National Archives, is preceded by the Marihuana Tax Act of August 2, 1937 (50 Stat. 551), and Treasury Decision No. 28 of September 1, 1937 (2 F. R. 2115 (DI)).]

INTRODUCTORY

The Marihuana Tax Act of 1937, imposes special (occupational) taxes upon persons engaging in activities involving articles or material within the definition of "marihuana" contained in the Act, and also taxes the transfer of such articles or material.

These regulations deal with details as to tax computation, procedure, the forms of records and returns, and similar matters. These matters in some degree are controlled by certain sections of the United States Revised Statutes and other statutes of general application. Provisions of these statutes, as well as of the Marihuana Tax Act of 1937 are quoted, in whole or in part, as the immediate or general basis for the regulatory provisions set forth. The quoted provisions are from the Marihuana Tax Act of 1937 unless otherwise indicated.

Provisions of the statutes upon which the various articles of the regulations are based generally have not been repeated in the articles. Therefore, the statutory excerpts preceding the several articles should be examined to obtain complete information.

CHAPTER I

Laws Applicable

SEC. 7 (e). All provisions of law (including penalties) applicable in respect of the taxes imposed by the Act of December 17, 1914 (38 Stat. 785; U. S. C. 1934 ed., title 26, secs. 1040-1061, 1383-1391), as amended, shall, insofar as not inconsistent with this Act, be applicable in respect of the taxes imposed by this Act.

ART. 1. *Statutes applicable.*—All general provisions of the internal revenue laws, not inconsistent with the Marihuana Tax Act, are applicable in the enforcement of the latter.

CHAPTER II

Definitions

SEC. 1. That when used in this Act—

(a) The term "person" means an individual, a partnership, trust, association, company, or corporation and includes an officer or employee of a trust, association, company, or corporation, or a member or employee of a partnership, who, as such officer, employee, or member, is under a duty to perform any act in respect of which any violation of this Act occurs.

(b) The term "marihuana" means all parts of the plant *Cannabis sativa* L., whether growing or not; the seeds thereof; the resin extracted from any part of such plant; and every compound, manufacture, salt, derivative, mixture, or preparation of such plant, its seeds, or resin; but shall not include the mature stalks of such plant, fiber produced from such stalks, oil or cake made from the seeds of such plant, any other compound, manufacture, salt, derivative, mixture, or preparation of such mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of such plant which is incapable of germination.

(c) The term "producer" means any person who (1) plants, cultivates, or in any way facilitates the natural growth of marihuana; or (2) harvests and transfers or makes use of marihuana.

(d) The term "Secretary" means the Secretary of the Treasury and the term "collector" means collector of internal revenue.

(e) The term "transfer" or "transferred" means any type of disposition resulting in a change of possession but shall not include a transfer to a common carrier for the purpose of transporting marihuana.

ART. 2. as used in these regulations:

(a) The term "Act" or "this Act" shall mean the Marihuana Tax Act of 1937, unless otherwise indicated.

(b) The term "United States" shall include the several States, the District of Columbia, the Territory of Alaska, the Territory of Hawaii, and the insular possessions of the United States except Puerto Rico and the Virgin Islands. It does not include the Canal Zone or the Philippine Islands.

(c) The terms "manufacturer" and "compounder" shall include any person who subjects marihuana to any process of separation, extraction, mixing, compounding, or other manufacturing operation. They shall not include one who merely gathers and destroys the plant, one who merely threshes out the seeds on the premises where produced, or one who in the conduct of a legitimate business merely subjects seeds to a cleaning process.

(d) The term "producer" means any person who induces in any way the growth of marihuana; and any person who harvests it, either in a cultivated or wild state, from his own or any other land, and transfers or makes use of it, including one who subjects the marihuana which he harvests to any processes rendering him liable also as a manufacturer or compounder. Generally all persons are included who gather marihuana for any purpose other than to destroy it. The term does not include one who merely plows under or otherwise destroys marihuana with or without harvesting. It does not include one who grows marihuana for use in his own laboratory for the purpose of research, instruction, or analysis and who does not use it for any other purpose or transfer it.

(e) The term "special tax" is used to include any of the taxes, pertaining to the several occupations or activities covered by the Act, imposed upon persons who import, manufacture, produce, compound, sell, deal in, dispense, prescribe, administer, or give away marihuana.

(f) The term "person" occurring in these regulations is used to include an individual, partnership, trust, association, company or corporation; also a hospital, college of pharmacy, medical or dental clinic, sanatorium, or other institution or entity.



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(g) Words importing the singular may include the plural; words importing the masculine gender may be applied to the feminine or the neuter.

(h) The definitions contained herein shall not be deemed exclusive.

CHAPTER III

Special Taxes

Registration

SEC. 3232. *United States Revised Statutes*.—No person shall be engaged in or carry on any trade or business hereinafter mentioned

until he has paid a special tax therefor in the manner hereinafter provided.

SEC. 2 (a). Every person who imports, manufactures, produces, compounds, sells, deals in, dispenses, prescribes, administers, or gives away marihuana shall (1) within fifteen days after the effective date of this Act, or (2) before engaging after the expiration of such fifteen-day period in any of the above-mentioned activities, and (3) thereafter, on or before July 1 of each year, pay the following special taxes respectively: * * *

SEC. 2 (b). Any person subject to the tax imposed by this section shall, upon payment of such tax, register his name or style and his place or places of business with the collector of the district in which such place or places of business are located.

SEC. 17. This Act shall take effect on the first day of the second month after the month during which it is enacted.

ART. 3. *Persons liable*.—Liability to payment of special tax and registration attaches to every person who imports, manufacturers, produces, compounds, sells, deals in, dispenses, prescribes, administers, or gives away marihuana. As to the liability of a person engaged in one or more of the foregoing activities to several taxes see Article 10.

ART. 4. *Manner and time of registration*.—Every person who engages, at any time during the first sixteen days of October, 1937, in any activity subjecting him to special tax shall, on or before the sixteenth day thereof, file application for registration and return of tax liability, hereinafter sometimes referred to as the "application", and pay the tax or taxes enumerated in Article 10 for the period ending June 30, 1938. Any person not engaging in any such activity during the sixteen days mentioned, but so engaging thereafter shall file the application and pay the tax, before commencing such activity. Filing of successive applications and payment of tax are required on or before July 1 of each year thereafter, during which taxable activity continues. Form 678c shall be executed by those filing applications on or before October 16, 1937, and for original or nonsuccessive registrations after that date. Form 678d shall be used for successive registrations on or before July 1, annually, as long as taxable activity continues. The forms may be obtained from the collector.

SEC. 3451. *United States Revised Statutes*.—Every person who simulates or falsely or fraudulently executes or signs any bond, permit, entry, or other document required by the provisions of the internal-revenue laws, or by any regulation made in pursuance thereof, or who procures the same to be falsely or fraudulently executed, or who advises, aids in, or connives at such execution thereof, shall be imprisoned for a term not less than one year nor more than five years; and the property to which such false or fraudulent instrument relates shall be forfeited.

ART. 5. *False applications*.—The false or fraudulent execution or signing of any application for registration or any supporting affidavit required shall subject the offending person to the liabilities imposed by Section 3451, Revised Statutes.

ART. 6. *Signatures—Individuals*.—The application must be signed by the person desiring registration.

Firms and corporations.—The application of a firm must be signed by a member, that of a corporation by an officer duly authorized to act. The names of the real owners must be disclosed if the business is being carried on under an assumed or trade name or that of a former owner. If owned by a partnership, the name of each partner must appear. In the case of a corporation, the names of the principal officers must be shown.

Institutions.—When an institution is subject to tax the head thereof or of the department wherein marihuana is used shall sign the application for registration.

ART. 7. *Oath—When required*.—If the tax is more than \$10, the application must be under oath. If the tax is not in excess of \$10, the application may be signed or acknowledged before two witnesses in lieu of an oath. The witnesses must themselves sign the application in their capacity as such.

Execution.—The jurat may be executed by any officer authorized to administer oaths. No charge is made if documents required by these regulations are sworn and subscribed to before a deputy collector or an internal-revenue agent.

ART. 8. *Inventory required*.—Every person, making application for registry or reregistry in class III who is not required to render returns on Form 961 and its supplements

or on Form 810 and its supplements, or in class IV or V, must prepare under oath or affirmation, in duplicate, an inventory of all marihuana and preparations thereof on hand. Persons making application for registry between October 1, 1937, and June 30, 1938, shall prepare the inventory as of October 1, 1937, or any date between October 1, 1937, and the date of application. Persons making application for registry or reregistry on or after July 1, 1938, shall prepare the inventory as of December 31 preceding the date of the application or any date between December 31 and the date of the application. The inventories may be prepared on Form 713 (used by registrants under the Harrison Narcotic Law, as amended, for submitting inventories of narcotic drugs on hand), copies of which may be obtained from collectors upon request. If the taxpayer is engaged in more than one of these classes of business, a separate inventory must be prepared for each class. The original inventory must be forwarded to the collector with the application for registration, and the duplicate must be kept on file by the maker for a period of two years. Persons also applying for registration under the Harrison Narcotic Law, as amended, in any one of the classes with respect to which they are required to submit inventories, on Form 713, of narcotic drugs and preparations on hand, may include the marihuana inventory on this same form.

ART. 9. Registry numbers.—Upon approval of the application the collector will assign a registry number to the applicant. The numbers are issued serially without regard to classes. The same number shall be retained throughout all the consecutive periods for which the applicant may be registered. In the case of one engaged in business at two or more places or registered in two or more classes at the same place a separate number will be assigned for each place or class. The registry number of a person who discontinues operations will not be assigned to any other person for any portion of the same fiscal year.

Classification

SEC. 2. (a) (Cont.) * * * (1). Importers, manufacturers, and compounders of marihuana, \$24 per year.

(2) Producers of marihuana (except those included within subdivision (4) of this subsection), \$1 per year, or fraction thereof, during which they engage in such activity.

(3) Physicians, dentists, veterinary surgeons, and other practitioners who distribute, dispense, give away, administer, or prescribe marihuana to patients upon whom they in the course of their professional practice are in attendance, \$1 per year or fraction thereof during which they engage in any of such activities.

(4) Any person not registered as an importer, manufacturer, producer, or compounder who obtains and uses marihuana in a laboratory for the purpose of research, instruction, or analysis, or who produces marihuana for any such purpose, \$1 per year, or fraction thereof, during which he engages in such activities.

(5) Any person who is not a physician, dentist, veterinary surgeon, or other practitioner and who deals in, dispenses, or gives away marihuana, \$3 per year: **PROVIDED**, That any person who has registered and paid the special tax as an importer, manufacturer, compounder, or producer, as required by subdivisions (1) and (2) of this subsection, may deal in, dispense, or give away marihuana imported, manufactured, compounded, or produced by him without further payment of the tax imposed by this section.

(b) Where a tax under subdivision (1) or (5) is payable on July 1 of any year it shall be computed for one year; where any such tax is payable on any other day it shall be computed proportionately from the first day of the month in which the liability for the tax accrued to the following July 1.

ART. 10. Rates of tax.—Persons subject to tax are divided into classes as shown by the table below:

Class	Annual tax rate	Persons liable
I.....	\$24	Importers, manufacturers and compounders.
II.....	1	Producers, except those included in Class V.
III.....	3	Dealers, other than physicians, dentists, veterinary surgeons or other practitioners.
IV.....	1	Physicians, dentists, veterinary surgeons and other practitioners.
V.....	1	Producers and other persons, other than importers, manufacturers, producers and compounders, who use marihuana in a laboratory for the purpose of research, instruction, or analysis.

Persons registering in classes I or III shall pay the entire tax if business is commenced in July, but if business is commenced after the month of July the amount due is to be reckoned proportionately from the first day of the month in which business is begun to July 1 following. Persons registering in classes II, IV or V shall pay the tax of \$1 a year or for any fractional part thereof, regardless of when business is commenced.

ART. 11. Importers.—Every person who imports marihuana is subject to tax as an importer at the rate of \$24 per annum in Class I. A manufacturer or compounder who is also an importer is not thereby required to pay more than one tax.

ART. 12. Manufacturers and compounders.—Every person coming within the definition set out in Article 2 (c) is subject to tax as a manufacturer or compounder at the rate of \$24 per annum in Class I.

ART. 13. Producers.—Every person coming within the definition set out in Article 2 (d) is subject to tax as a producer at the rate of \$1 per annum or fraction thereof in Class II.

ART. 14. Dealers.—Generally, one who sells, gives away, or dispenses marihuana in any form, is subject to tax as a dealer at the rate of \$3 per annum in Class III. However, liability as a dealer does not attach to a physician, dentist, veterinary surgeon, or other practitioner who, incidentally to the legitimate practice of his profession, dispenses marihuana. A physician, dentist, veterinary surgeon, or other practitioner who sells or dispenses marihuana apart from the legitimate practice of his profession incurs liability as a dealer. A manufacturer, compounder, or producer, who has paid special tax in such capacity does not incur additional liability on account of sales of his own products at the place of production, or in the case of an importer at his principal place of business. As to the limited right of a manufacturer or producer to sell free from payment of additional special tax away from the factory or place of production, see Article 17. Except as indicated, liability for additional tax as a dealer is incurred at each additional place where sales are made. Retail druggists who have paid tax as dealers do not incur liability as manufacturers or compounders on account of compounding marihuana preparations to fill legitimate prescriptions even though the preparations are compounded in advance of receipt of prescriptions, so long as they are used for prescription purposes only.

ART. 15. Practitioners.—Physicians, dentists, veterinary surgeons, and other practitioners, including institutions, who prescribe, distribute, dispense, give away, or administer marihuana, are subject to tax at the rate of \$1 per annum or fraction thereof in Class IV.

Interdistrict practice.—A practitioner maintaining an office where he is duly registered with the collector of the district in which the office is located, and where his complete stock of marihuana and marihuana records are kept, may distribute, dispense, give away, administer, or prescribe marihuana in other collection districts in which he may be lawfully engaged in the practice of his profession, within the United States, in the course of his professional practice only, without incurring additional tax liability.

ART. 16. Laboratory use.—Chemists occupying an independent status and not that of employees, in other words in business for themselves, who make analyses of marihuana or use marihuana in analyzing other substances in a laboratory, and persons who produce or obtain and use in a laboratory any marihuana for the purpose of research, instruction, or analysis, if not registered as an importer, manufacturer, compounder, or producer, are subject to tax at the rate of \$1 per annum or fraction thereof in Class V, provided no marihuana is manufactured or compounded for sale or for removal for consumption or sale.

Particular Situations

SEC. 3235. United States Revised Statutes.—The payment of the special tax imposed shall not exempt from an additional special tax the person carrying on a trade or business in any other place than that stated in the collector's register; but nothing herein contained shall require a special tax for the storage of goods,

wares, or merchandise in other places than the place of business, nor, except as hereinafter provided, for the sale by manufacturers or producers of their own goods, wares, and merchandise, at the place of production or manufacture, and at their principal office or place of business, provided no goods, wares, or merchandise shall be kept except as samples at said office or place of business.

Sec. 3236. *United States Revised Statutes*.—Whenever more than one of the pursuits or occupations hereinafter described are carried on in the same place by the same person at the same time, except as hereinafter provided, the tax shall be paid for each according to the rates severally prescribed.

Sec. 2 (c) In the event that any person subject to a tax imposed by this section engages in any of the activities enumerated in subsection (a) of this section at more than one place, such person shall pay the tax with respect to each such place.

(d) Except as otherwise provided, whenever more than one of the activities enumerated in subsection (a) of this section is carried on by the same person at the same time, such person shall pay the tax for each such activity, according to the respective rates prescribed.

ART. 17. *Several places of business*.—Generally a taxpayer must pay as many special taxes as he has places of business. Thus if a concern has one or more separate branches where any of the various taxable businesses is carried on, tax must be paid for each branch separately. However, a manufacturer or producer upon a single payment of special tax may sell products of his own manufacture or production at both the place of manufacture or production and his principal office or place of business, provided no products, except samples, are kept at said office or place of business. Tax does not attach with respect to a warehouse where marihuana is stored, provided no sales are made at such place.

ART. 18. *Itinerant vendors*.—No person is permitted to deal in marihuana except upon orders received or engagements made at, with respect to, or by reason of, a fixed address. A peddler of marihuana will be regarded as incurring a separate tax liability and committing an additional offense at each place where a sale is made.

ART. 19. *Partnerships*.—A partnership is subject to the same tax liability as an individual. Should either of the partners also individually engage in a taxable activity, he will incur additional liability with respect to such activity.

ART. 20. *Institutions*.—Hospitals, colleges, medical and dental clinics, sanatoriums, and other institutions not exempt as public institutions are subject to the same special tax liability as other persons dealing in or handling marihuana in the same manner.

Sec. 3 (a). No employee of any person who has paid the special tax and registered, as required by section 2 of this Act, acting within the scope of his employment, shall be required to register and pay such special tax.

ART. 21. *Principals*.—Principals, rather than agents, are liable to the taxes imposed. Employers and other principals will be regarded as responsible for the acts of employees and other agents within the scope of their employment.

ART. 22. *Employees*.—An employee of a person who has registered and paid tax will not himself incur liability to tax so long as he acts solely within the scope of his employment. However, an employee who, within or without the scope of his employment, does any unlawful act, will be held personally liable.

ART. 23. *Nurses*.—Nurses are regarded as agents of the practitioners or institutions under whose direction or supervision their duties are performed, and they are not permitted to register, nor are they permitted to be in possession of marihuana except as such agents, or as patients. Marihuana left by a practitioner with a nurse, to be administered during his absence, upon discharge of the nurse must be returned to the practitioner, who will account for the marihuana on his records. Any marihuana found in the possession of a nurse not at the time under the supervision of a practitioner shall be forfeited to the Government.

ART. 24. *Traveling salesmen*.—Traveling salesmen who merely solicit orders and forward them to their respective principals are not required to register or pay any tax.

Sec. 3243. *United States Revised Statutes*.—The payment of any tax imposed by the internal-revenue laws for carrying on any trade or business shall not be held to exempt any person from any penalty or punishment provided by the laws of any State for

carrying on the same within such State, or in any manner to authorize the commencement or continuance of such trade or business contrary to the laws of such State or in places prohibited by municipal law; nor shall the payment of any such tax be held to prohibit any State from placing a duty or tax on the same trade or business, for State or other purposes.

ART. 25. *Operation of State Laws*.—Payment of special tax under Federal law confers no right or privilege to conduct business contrary to State law. The holder of a special-tax stamp issued by the Federal Government may still be punishable under a State law prohibiting or regulating the production, manufacture or sale of marihuana. On the other hand, compliance with State law affords no immunity under Federal law. Persons who engage in business in violation of the law of a State are, nevertheless, required to pay special tax as imposed under the internal-revenue laws of the United States.

Delinquent and False Returns

Sec. 3176. *United States Revised Statutes*, as amended by Sec. 1103 of the Revenue Act of 1926 and by Sec. 619 (d) of the Revenue Act of 1928. * * * If the failure to file a return (other than a return of income tax) or a list is due to sickness or absence, the collector may allow such further time, not exceeding 30 days, for making and filing the return or list as he deems proper. * * * In case of any failure to make and file a return or list within the time prescribed by law, or prescribed by the Commissioner of Internal Revenue or the collector in pursuance of law, the Commissioner shall add to the tax 25 per centum of its amount, except that when a return is filed after such time and it is shown that the failure to file it was due to a reasonable cause and not to willful neglect, no such addition shall be made to the tax. In case a false or fraudulent return or list is willfully made, the Commissioner shall add to the tax 50 per centum of its amount.

The amount so added to any tax shall be collected at the same time and in the same manner and as a part of the tax unless the tax has been paid before the discovery of the neglect, falsity, or fraud, in which case the amount so added shall be collected in the same manner as the tax.

Sec. 406 of the Revenue Act of 1935. In the case of a failure to make and file an internal-revenue tax return required by law, within the time prescribed by law or prescribed by the Commissioner in pursuance of law, if the last date so prescribed for filing the return is after the date of the enactment of this Act, if a 25 per centum addition to the tax is prescribed by existing law, then there shall be added to the tax, in lieu of such 25 per centum: 5 per centum if the failure is for not more than 30 days, with an additional 5 per centum for each additional 30 days or fraction thereof during which failure continues, not to exceed 25 per centum in the aggregate.

Sec. 404 of the Revenue Act of 1935. Notwithstanding any provision of law to the contrary, interest accruing during any period of time after the date of the enactment of this Act upon any internal-revenue tax (including amounts assessed or collected as a part thereof) or customs duty, not paid when due, shall be at the rate of 6 per centum per annum.

ART. 26. *Delinquent returns*.—Every person from whom a special-tax return is required who, without reasonable cause, fails to file such return on time is subject to certain penalties. Under Section 406 of the Revenue Act of 1935 the penalty for delinquency is 5 per cent, if the failure is for not more than 30 days, and an additional 5 per cent for each additional 30 days, or fraction thereof, during which the delinquency continues, not to exceed 25 per cent in the aggregate.

ART. 27. *Sickness or absence*.—If the collector is satisfied that failure to file a return is due to sickness or absence, he may extend the time for not more than 30 days. Since any member of a firm may make the return, sickness or absence of less than all the members of a firm will not relieve from liability to the penalty for failure to make return, nor afford ground for extension of time.

ART. 28. *Failure of agent*.—If an attorney or agent is delegated to make a return and pay special tax, the principal will incur the penalty if the return is not filed within the time prescribed by law.

ART. 29. *Delinquent payment*.—Failure to pay the amount of an assessment within 10 days after issuance of Form 17 (First Notice and Demand) causes to accrue a 5 per cent penalty and interest at the rate of 6 per cent per annum from the date of the expiration of the 10-day period to the date of payment.

ART. 30. *False returns*.—For making a false or fraudulent return additional liability amounting to 50 per cent of the

total tax is incurred. If a return covers only a portion of a year or period for which liability is incurred, the return is false as a whole and not merely as to that portion of the year or period omitted.

ART. 31. When penalty accrues.—In view of the positive language of Section 2 (a) of the Act, all persons engaging in business under this Act will be regarded as delinquent and the penalties provided are applicable unless applications are filed (1) not later than October 16, 1937, or (2) before engaging in business if business is commenced after October 16, 1937, and (3) thereafter on or before July 1 of each year or on or before the date upon which liability is incurred.

Changes After Tax Payment

SEC. 3241, United States Revised Statutes. When any person who has paid the special tax for any trade or business dies, his wife or child, or executors or administrators or other legal representatives, may occupy the house or premises, and in like manner carry on, for the residue of the term for which the tax is paid, the same trade or business as the deceased before carried on, in the same house, and upon the same premises, without the payment of any additional tax. And when any person removes from the house or premises for which any trade or business was taxed to any other place, he may carry on the trade or business specified in the collector's register at the place to which he removes without the payment of any additional tax; **PROVIDED**, That all cases of death, change, or removal, as aforesaid, with the name of the successor to any person deceased, or of the person making such change or removal shall be registered with the collector, under regulations to be prescribed by the Commissioner of Internal Revenue.

ART. 32. Change of control.—Certain persons other than the taxpayer may, without incurring additional liability, carry on the business at the same address and for the remainder of the period for which special tax was paid. To secure such right the party or parties continuing the business must execute, within 30 days, a return on Form 678c, showing the basis of the right. As to liability for failure to register change, see Article 37. Under the conditions indicated the parties having such right include the following:

(1) The relict, children, or other legal representatives of a deceased taxpayer.

(2) A receiver or referee in bankruptcy, or an assignee for the benefit of creditors.

(3) The partner or partners remaining after death or withdrawal of a member.

Special tax, reckoned from the first day of the month in which the change occurs, is incurred and must be paid by the parties indicated under the conditions stated:

(1) Where additional partners are taken into a firm operating under the old or a new firm name.

(2) Where a corporation is formed to continue the business of a partnership, or a new charter is issued to a former corporation.

(3) Where a stockholder or other party continues a business previously conducted by a corporation, whether or not the corporation is dissolved.

ART. 33. Change of name or location.—The name of an individual, firm, or corporation that has paid special tax may be changed, or a special-tax payer may relocate his place of business, without incurring additional tax liability, provided the change is registered with the collector.

ART. 34. Registration.—A special-tax payer who changes his name or relocates his place of business shall within 30 days execute a new return on Form 678c, marked "Revised registry." The return shall set forth the date of change and the new name or address. The return shall be forwarded with the special-tax stamp to the collector who issued the stamp for recording the change.

ART. 35. Removal within district.—Where a taxpayer removes his business to another address within the district the collector will enter on his Record 10 the new address and the date of removal, and will note the change on the face of the special-tax stamp which he will return to the taxpayer.

ART. 36. Removal to another district.—Where a taxpayer removes his business to another district the collector who issued the stamp will enter on his Record 10 the new ad-

dress and date of removal, and will transmit the stamp to the collector of the district to which the taxpayer removed. The collector of that district will then make entry on his Record 10, as in the case of a new registrant, and note the taxpayer's new address and the collector's name, title and district, and the date, on the stamp, which will be returned to the taxpayer.

ART. 37. Liability for failure to register change.—A person succeeding to a business for which tax has been paid, or a taxpayer who relocates his business, without registering the change within 30 days, as required by Articles 33 and 34, respectively, will be liable to the tax, to the penalty set forth in Article 26 for failure to make return, and also to penalty for carrying on business without payment of tax.

Special Tax Stamps

SEC. 3238, United States Revised Statutes.—All special taxes imposed by law, including the tax on stills or worms, shall be paid by stamps denoting the tax, and the Commissioner of Internal Revenue is required to procure appropriate stamps for the payment of such taxes; and the provisions of sections thirty-three hundred and twelve and thirty-four hundred and forty-six, and all other provisions of law relating to the preparation and issue of stamps for distilled spirits, fermented liquors, tobacco, and cigars, shall, so far as applicable, extend to and include such stamps for special taxes; and the Commissioner of Internal Revenue shall have authority to make all needful regulations relative thereto.

ART. 38. Issuance of stamps.—Stamps covering special taxes are issued in two forms, with and without coupons. Stamps without coupons are for use in cases where the full tax is due regardless of the period covered. Coupon stamps are for use in cases where the tax may be prorated. The coupon stamps are issued to registrants in Classes I and III, and the stamps without coupons to registrants in Classes II, IV and V.

Collectors will distinctly write or print on the stamp, before it is issued, the taxpayer's name, address, and registry number, and the number of the class in which registered.

SEC. 3239, United States Revised Statutes.—Every person engaged in any business, avocation, or employment, who is thereby made liable to a special tax, shall place and keep conspicuously in his establishment or place of business all stamps denoting the payment of said special tax; and any person who shall, through negligence, fail to so place and keep said stamps, shall be liable to a penalty equal to the special tax for which his business rendered him liable and the costs of prosecution; but in no case shall said penalty be less than ten dollars. And where the failure to comply with the foregoing provision of law shall be through willful neglect or refusal, then the penalty shall be double the amount above prescribed: **Provided**, That nothing in this section shall in any way affect the liability of any person for exercising or carrying on any trade, business, or profession, or doing any act for the exercising, carrying on, or doing of which a special tax is imposed by law, without the payment thereof.

ART. 39. Posting of stamps.—Every special tax stamp issued to a taxpayer must be kept posted conspicuously on the premises where the business is operated. One who fails so to post a stamp thereby incurs liability to a penalty, equal to and in addition to the tax, plus the costs of prosecution; but in no case shall the penalty (not including the costs of prosecution) be less than \$10. Where the failure is willful the penalty is doubled. This liability is additional to any and all liability otherwise incurred.

ART. 40. Certificates in lieu of stamps lost or destroyed.—These regulations shall apply to certificates on Form 785 issued in lieu of special tax stamps lost or destroyed.

CHAPTER IV

Transfer Taxes

Rates of Tax

SEC. 7 (a). There shall be levied, collected, and paid upon all transfers of marihuana which are required by section 6 to be carried out in pursuance of written order forms taxes at the following rates:

(1) Upon each transfer to any person who has paid the special tax and registered under section 2 of this Act, \$1 per ounce of marihuana or fraction thereof.

(2) Upon each transfer to any person who has not paid the special tax and registered under section 2 of this Act, \$100 per ounce of marihuana or fraction thereof.

SEC. 7 (b). Such tax shall be paid by the transferee at the time of securing each order form and shall be in addition to the price of such form. Such transferee shall be liable for the tax imposed by this section but in the event that the transfer is made in violation of section 6 without an order form and without payment of the transfer tax imposed by this section, the transferor shall also be liable for such tax.

SEC. 7 (c). Payment of the tax herein provided shall be represented by appropriate stamps to be provided by the Secretary and said stamps shall be affixed by the collector or his representative to the original order form.

SEC. 8 (a). It shall be unlawful for any person who is a transferee required to pay the transfer tax imposed by section 7 to acquire or otherwise obtain any marihuana without having paid such tax; and proof that any person shall have had in his possession any marihuana and shall have failed, after reasonable notice and demand by the collector, to produce the order form required by section 6 to be retained by him, shall be presumptive evidence of guilt under this section and of liability for the tax imposed by section 7.

ART. 41. *Scope of tax.*—Except as otherwise provided, each transfer of marihuana to a person within the United States is subject to tax, to be paid in the manner hereinafter indicated. The tax is due whether the transferor be located within the United States or elsewhere. The tax applies to every transfer, no matter how often the same material may be transferred. It is no basis of exemption that a transferred article was produced from material on the transfer of which tax was paid.

ART. 42. *Amount of tax.*—Where the transfer is to a taxable person who has duly registered and paid special tax, the transfer tax is at the rate of \$1 per ounce or fraction thereof. If the transfer is to a person who has not registered and paid special tax under this Act, tax at the rate of \$100 per ounce or fraction thereof is due.

SEC. 7 (d). All provisions of law relating to the engraving, issuance, sale, accountability, cancellation, and destruction of tax-paid stamps provided for in the internal-revenue laws shall, insofar as applicable and not inconsistent with this Act, be extended and made to apply to stamps provided for in this section.

ART. 43. *Method of payment.*—The tax is paid by attachment of adhesive stamps to order forms as hereinafter shown. Stamps of various denominations bearing the words "Marihuana Tax Act of 1937" have been prepared. Only such stamps shall be used in payment of the transfer tax. Payment for the stamps shall be made when application for the order form is submitted.

ART. 44. *Affixing and canceling stamps.*—The "Marihuana Tax Act" stamp, evidencing the payment of the transfer tax, shall be affixed to the original order form by the collector or his representative, and the person so affixing the stamp shall cancel it by writing or stamping thereon, in ink, his initials, and the day, month, and year, or shall, by cutting with a machine or punch, affix his initials and the date as aforesaid, in such manner as to render it unfit for reuse. The cancellation shall not so deface the stamp as to prevent its denomination and genuineness from being readily determined.

SEC. 803. *Revenue Act of 1926.*—Whoever * * *

(c) Willfully removes, or alters the cancellation or defacing marks of, or otherwise prepares, any adhesive stamp, with intent to use, or cause same to be used, after it has been already used, or knowingly or willfully buys, sells, offers for sale, or gives away, any such washed or restored stamp to any person for use, or knowingly uses the same;

(d) Knowingly and without lawful excuse (the burden of proof of such excuse being on the accused) has in possession any washed, restored, or altered stamp, which has been removed from any vellum, parchment, paper, instrument, writing, package, or article;

Is guilty of a misdemeanor, and upon conviction shall be punished by a fine of not more than \$1,000, or by imprisonment for not more than five years, or both, and any such reused, canceled, or counterfeit stamp and the vellum, parchment, document, paper, package, or article upon which it is placed or impressed shall be forfeited to the United States.

ART. 45. *Reuse of stamps prohibited.*—A stamp once affixed to one order form cannot lawfully be removed and affixed to another. As to refunds for amounts paid for stamps, see Article 94.

Order Forms

SEC. 6 (a). It shall be unlawful for any person, whether or not required to pay a special tax and register under section 2,

to transfer marihuana, except in pursuance of a written order of the person to whom such marihuana is transferred, on a form to be issued in blank for that purpose by the Secretary.

SEC. 6 (c). The Secretary shall cause suitable forms to be prepared for the purposes before mentioned and shall cause them to be distributed to collectors for sale. The price at which such forms shall be sold by said collectors shall be fixed by the Secretary, but shall not exceed 2 cents each. Whenever any collector shall sell any of such forms he shall cause the date of sale, the name and address of the proposed vendor, the name and address of the purchaser, and the amount of marihuana ordered to be plainly written or stamped thereon before delivering the same.

SEC. 6 (d). Each such order form sold by a collector shall be prepared by him and shall include an original and two copies, any one of which shall be admissible in evidence as an original. The original and one copy shall be given by the collector to the purchaser thereof. The original shall in turn be given by the purchaser thereof to any person who shall, in pursuance thereof, transfer marihuana to him and shall be preserved by such person for a period of two years so as to be readily accessible for inspection by any officer, agent, or employee mentioned in section 11. The copy given to the purchaser by the collector shall be retained by the purchaser and preserved for a period of two years so as to be readily accessible to inspection by any officer, agent, or employee mentioned in section 11. The second copy shall be preserved in the records of the collector.

ART. 46. *Written order required for transfer of marihuana.*—Except as otherwise provided, every person seeking to obtain marihuana shall make application on Form 679a (Marihuana) to the collector of internal revenue for the district in which the transferee is located for the purchase of an order form. The application shall show (1) the transferee's name, address and, if registered, the registry number, (2) the name and address of the transferor, and (3) a description, including quantities, of the desired articles or materials to be transferred. The application must be accompanied by a certified check, cash, or money order in payment of the transfer tax, (see Article 42) plus 2 cents in payment of the order form.

ART. 47. *Signing of applications.*—Generally applications for order forms shall be signed by the same person or persons signing the application for registration. (See Article 6.) However, when it is impracticable for the person signing the application for registration to sign the applications for order forms they may be signed by another person, provided a power of attorney authorizing such other person to sign the applications for order forms has previously been filed with and approved by the collector. The power of attorney shall be executed in the same manner as applications for registration. The power of attorney shall show the signature of the person thereby authorized to sign applications for order forms and shall affirm that the signature so shown is his signature.

ART. 48. *Signatures to be compared.*—Upon receipt by the collector of an application for an order form the signature on such application shall be compared with that appearing on the application for registration or in the power of attorney. (See Article 47.) Unless the collector is satisfied that the application is authentic it will not be honored.

ART. 49. *Procedure regarding order forms.*—Upon receipt of a properly executed application, accompanied by a sum sufficient to cover the transfer tax and the price of the order form, the collector will execute the order form in triplicate. There shall be shown on each of the three copies the date of issuance, the name and address of the proposed transferor, the name and address of the transferee, and a description, including quantities, of the desired articles or materials. As to affixing of the tax stamp to the original order form, see Article 44. The duplicate and triplicate shall show the date the stamp was purchased and cancelled. The original and duplicate shall be delivered to the transferee, who shall in turn submit the original to the transferor. The triplicate shall be retained by the collector. The transferor shall preserve the original, and the transferee shall preserve the duplicate, for a period of two years so as to be readily accessible for inspection by any officer, agent, or employee mentioned in section 11 of the Act.

ART. 50. *Applications to be filed.*—The collector will stamp each application with the date when the order form is issued,

enter thereon the serial number of the order form sold in pursuance thereof, and file all applications numerically according to such serial numbers.

ART. 51. Importations.—A collector of internal revenue issuing an order form for the procurement of marihuana from a foreign country shall prepare and issue to the transferee (importer) a document reciting that an order form has been issued. The document shall show the serial number of the order form, the name and address of the transferee, the name and address of the transferor, and the kind and quantity of marihuana covered by the order form. The transferee, in order to obtain release of the marihuana from customs' custody, shall present the document to the collector of customs at the port of entry. No importation of marihuana shall be released from customs' custody until the aforesaid document has been presented to the collector of customs. Seeds may be imported by a registered importer without payment of transfer tax or procurement of order forms. (See Section 6 (b) (5) of the Act.) A registered importer desiring to import seeds without the use of order forms shall obtain from the collector of internal revenue for the district in which he is registered a certificate of registration (see Article 68), and no importation of seeds shall be released from customs' custody without evidence of issuance of an order form or presentation of a certificate of registration.

Exceptions

SEC. 6 (b). Subject to such regulations as the Secretary may prescribe, nothing contained in this section shall apply—

(1) To a transfer of marihuana to a patient by a physician, dentist, veterinary surgeon, or other practitioner registered under section 2, in the course of his professional practice only: *Provided*, That such physician, dentist, veterinary surgeon, or other practitioner shall keep a record of all such marihuana transferred, showing the amount transferred and the name and address of the patient to whom such marihuana is transferred, and such record shall be kept for a period of two years from the date of the transfer of such marihuana, and subject to inspection as provided in section 11.

(2) To a transfer of marihuana, made in good faith by a dealer to a consumer under and in pursuance of a written prescription issued by a physician, dentist, veterinary surgeon, or other practitioner registered under section 2: *Provided*, That such prescription shall be dated as of the day on which signed and shall be signed by the physician, dentist, veterinary surgeon, or other practitioner who issues the same: *Provided further*, That such dealer shall preserve such prescription for a period of two years from the day on which such prescription is filled so as to be readily accessible for inspection by the officers, agents, employees, and officials mentioned in section 11.

(3) To the sale, exportation, shipment, or delivery of marihuana by any person within the United States, any Territory, the District of Columbia, or any of the insular possessions of the United States, to any person in any foreign country regulating the entry of marihuana, if such sale, shipment, or delivery of marihuana is made in accordance with such regulations for importation into such foreign country as are prescribed by such foreign country, such regulations to be promulgated from time to time by the Secretary of State of the United States.

(4) To a transfer of marihuana to any officer or employee of the United States Government or of any State, Territorial, District, county, or municipal or insular government lawfully engaged in making purchases thereof for the various departments of the Army and Navy, the Public Health Service, and for Government, State, Territorial, District, county, or municipal or insular hospitals or prisons.

(5) To a transfer of any seeds of the plant *Cannabis sativa L.* to any person registered under section 2.

ART. 52. When order forms not required.—The use of order forms in effecting transfers of marihuana is not required:

(1) For dispositions to patients or for use of animals by duly qualified and registered practitioners in the course of their professional practice only.

(2) For dispositions by registered dealers pursuant to properly executed prescriptions of registered practitioners.

(3) For lawful exportations.

(4) For dispositions to exempt officials.

(5) For transfers of any seeds of the plant *Cannabis sativa L.* to any person registered under section 2 of the Act.

ART. 53. Dispensing by practitioners.—Practitioners may dispense marihuana to bona fide patients pursuant to the

legitimate practice of their professions without prescriptions or order forms.

All persons and institutions registered as members of Class IV (practitioners, see Article 15), whether they be physicians, dentists, veterinary surgeons, hospitals, sanatoriums, medical schools or colleges, dispensaries not connected with a Federal, State, county, or municipal institution, welfare bureaus, or charitable institutions, must keep a daily record showing the kind and quantity of marihuana dispensed or administered, the name and address of each person to whom dispensed or administered, the name and address of the person upon whose authority the marihuana is dispensed or administered, and the purpose for which it is dispensed or administered. Such records shall be kept for a period of two years in such manner as to be readily accessible to inspection by investigating officers.

ART. 54. Form of record.—No special record form will be furnished by the Government for the use of those registered as practitioners. Hospitals and institutions should keep records in the manner best calculated to meet the conditions existing therein. The record that is kept, however, should enable an inspecting officer quickly to ascertain the quantity and kind of marihuana used daily. The initials of the practitioner giving directions for the administering of marihuana should appear on the patient's record chart, or a separate prescription giving the name and address of the patient, the date, and the physician's signature or initials should be filed with the pharmacist in charge of the drug room before the marihuana leaves his charge. If both chart and prescription are used, reference to the prescription should be made on the chart.

ART. 55. Who may issue prescriptions.—A prescription for marihuana may be issued only by a physician, dentist, veterinary surgeon, or other practitioner who has duly registered, or an exempt official.

ART. 56. Who may fill prescriptions.—A prescription for marihuana may only be filled by a dealer registered in Class III or by an exempt official, or by a member of Class I who is qualified to sell marihuana at retail.

ART. 57. Purpose of issue.—A prescription, in order to be effective in legalizing the possession of marihuana and eliminating the necessity for use of order forms, must be issued for legitimate medical purposes.

ART. 58. Responsibility for issue.—The duty of properly preparing prescriptions is upon the practitioner, and he is liable to the penalties provided by the Act in case of failure to insert the information required by the law. A prescription may be prepared by a secretary or agent for the signature of a practitioner, but the practitioner will be held responsible in case the prescription does not conform in all essential respects to the law and regulations. A corresponding liability rests upon the dealer who fills a prescription not prepared in the form prescribed by law.

ART. 59. Manner of execution.—All prescriptions for marihuana must be dated as of and signed on the day when issued and must bear the full name and address of the patient and the name, address, and registry number of the practitioner. A practitioner may sign a prescription in the same manner as he would sign a check or legal document, as, for instance, J. H. Doe, John H. Doe, or John Henry Doe. Prescriptions should be written with ink or indelible pencil or typewritten; if typewritten, they should be signed by the practitioner.

ART. 60. Refilling of prescriptions.—The refilling of a prescription for marihuana is prohibited.

ART. 61. Partial filling.—As a general rule, the partial filling of marihuana prescriptions is unlawful. If, however, a dealer is unable to supply the full quantity called for in a prescription, he may, if an emergency exists, and he later advises the issuing practitioner, supply a portion of the marihuana called for by the prescription, provided he makes a suitable notation on the face of the prescription of the quantity furnished and a suitable explanation of the reason for not supplying the full quantity on the back of the pre-

scription. No further quantity will be supplied except upon a new prescription.

ART. 62. *Telephone orders.*—Except as hereinafter provided the furnishing of marihuana pursuant to telephone advice of practitioners is prohibited whether prescriptions covering such orders are subsequently received or not. In an emergency a dealer may deliver marihuana through his employee or responsible agent pursuant to a telephone order, provided the employee or agent is supplied with a properly prepared prescription before delivery is made, such prescription to be turned over to the dealer and filed by him as required by law within a reasonable time after delivery.

ART. 63. *Form to be used.*—The Government does not furnish prescription forms. Any prescription form may be used, provided it is properly executed and shows the required information.

ART. 64. *Filing.*—Dealers who fill marihuana prescriptions are required to keep them in a separate file for a period of two years in such manner as to be readily accessible to inspection by investigating officers. However, if the dealer is registered under the Harrison Narcotic Law, as amended, as a retail dealer, and keeps marihuana prescriptions on the narcotic prescription file, it will be deemed a compliance with this article.

ART. 65. *Labels on container.*—The dealer filling a prescription must affix to the container a label showing the name and registry number of the dealer, the serial number of the prescription, the name and address of the patient, and the name, address, and registry number of the person writing the prescription.

ART. 66. *Exportations.*—Any person desiring to export marihuana to a country which regulates importations thereof shall present to the nearest collector of customs an application on Form 161a, for authorization to make such exportation, which application shall be accompanied by an import permit issued by the government of the country of destination or other evidence which shall be satisfactory to the Commissioner of Narcotics that the applicant has complied with the requirements of the laws and regulations of the country of destination with respect to such proposed exportation thereto. Such application will be forwarded by the collector of customs to the Commissioner of Narcotics who, if satisfied that the applicant has complied with such laws and regulations of the country of destination, shall approve the application, which approval will authorize the collector of customs at the port of export to clear the shipment for exportation without the use of order forms or payment of the transfer tax.

ART. 67. *Orders and prescriptions.*—Persons registered under the Act may transfer marihuana to exempt officials pursuant to orders and prescriptions issued by such exempt officials. Such orders and prescriptions should be prepared on official blanks if such blanks are provided, or otherwise on official stationery, and must show the name, title, and official address of the person by whom executed. No order may be filled unless it is accompanied by a certificate of exemption which has been issued by the collector. (See Chapter VI.)

ART. 68. *Transfer of seeds.*—Before making transfers of unsterilized seeds, the transferor must receive from the transferee a certificate of registration showing him (the transferee) to be qualified under the Act to acquire such seeds. Certificates of registration will be issued by the collector for the district in which the transferee is registered, upon request of the transferee. Records covering receipts and dispositions of such seeds must be kept in the same manner as records of other transactions in marihuana. (See Article 73.)

CHAPTER V

Information Returns and Records

Returns

Sec. 10 (a). Every person liable to any tax imposed by this Act shall keep such books and records, render under oath such

statements, make such returns, and comply with such rules and regulations as the Secretary may from time to time prescribe.

ART. 69. *Returns required of importers for other than medicinal use.*—Every person registered as an importer, who imports marihuana in any form for any purpose other than the manufacture of medicinal products or the distribution through wholesale or retail drug channels for medicinal use, shall render a quarterly return on Form 961, and its supplement Form 961a, to the collector of internal revenue for the district on or before the 15th day of April, July, October and January, for the quarterly periods ending March 31, June 30, September 30 and December 31, respectively. Each such return shall account for all marihuana on hand and imported, in whatever form, and all sales, exports or other dispositions of marihuana.

ART. 70. *Returns required of manufacturers and compounders for other than medicinal use.*—Every person registered as a manufacturer or compounder, who uses marihuana in any form in the manufacture or compounding of other than medicinal products, shall render a quarterly return on Form 961, and its supplement Form 961a, to the collector of internal revenue for the district on or before the 15th day of April, July, October and January, for the quarterly periods ending March 31, June 30, September 30 and December 31, respectively. Each such return shall account for all marihuana, and all marihuana products other than those specifically excepted by the Act, which are on hand, purchased, or otherwise acquired, all manufacture or compounding thereof, and all sales, exports or other dispositions of marihuana or its products.

ART. 71. *Returns required of importers, manufacturers and compounders for medicinal use.*—Every person registered as an importer, manufacturer, or compounder, in Class I under the Act, who imports, purchases or otherwise acquires marihuana or preparations containing marihuana for use in the manufacture or compounding of medicinal products or for distribution through wholesale or retail drug channels or direct to practitioners for medicinal use, shall render a monthly return on Form 810 and its supplements Forms 810a, 810b, 810c, 810d and 811c to the collector of internal revenue for the district on or before the 15th day of the month succeeding that for which the return is rendered. Returns for marihuana and its medicinal products will be rendered on these forms in accordance with instructions appearing thereon relating to opium and coca leaves and their derivatives. All receipts of marihuana for medicinal distribution or manufacture or compounding will be reported on Form 810a, all dispositions on Form 810b, all manufacturing or compounding operations on Form 810c, all packaging operations on Form 810d, and a semiannual inventory of marihuana and preparations on hand will be rendered as of June 30 and December 31, and will be made a part of the June and December returns, respectively.

Where a person required by this article to render a return for marihuana on Form 810 and its supplements is also registered in Class I under the Harrison Narcotic Law, as amended, and renders a return under that Act on these same forms, the marihuana return may be made a part of such monthly narcotic return, but separate detail sheets, Forms 810a, 810b, 810c, 810d, and 811c must be used to report marihuana transactions. The totals of the various detail sheets of marihuana transactions will be carried to the "Other Opium Alkaloids" column of the summary, Form 810.

ART. 72. *Returns required of producers.*—Every person registered as a producer of marihuana in Class II under the Act shall render an annual return on Form 960, to the collector of internal revenue for the district on or before the 15th day of January, for the annual period ending December 31 of the preceding year. Each such return shall show, both by the number of plots or fields and their total area, all marihuana under cultivation at the beginning of the period, planted or brought under cultivation during the period, harvested or otherwise disposed of during the period

and under cultivation at the close of the period. Each such return shall also account for all bulk marihuana on hand and produced during the period, in whatever form, and all sales, exports, or other dispositions of marihuana during the period.

Farmers producing hemp for fiber by retting the entire crop in the field where grown, removing only the matured hemp stalks and no other part of the plant from the field will report either the quantities of such matured stalks gathered or the total fiber yield in the space provided therefor at the bottom of Summary No. 1. No further accounting for such matured stalks need be made. If any part of the plant, other than such matured stalks, is removed from the field such material must be fully accounted for in Summary No. 2. Producers who are also registered as manufacturers, compounders or dealers will also render returns on the forms prescribed for manufacturers, compounders, or dealers to cover transactions entered into under such registration.

ART. 73. Returns required of dealers for other than medicinal use.—Every person registered as a dealer in Class III under the Act, who purchases and sells or otherwise acquires and disposes of marihuana or its products for other than distribution through wholesale or retail drug channels, shall render a quarterly return on Form 961, and its supplement Form 961a, to the collector of internal revenue for the district on or before the 15th day of April, July, October and January for the quarterly periods ending March 31, June 30, September 30 and December 31, respectively. Each such return shall account for all marihuana on hand and purchased, or otherwise acquired, in whatever form, and all sales, exports, or other dispositions of marihuana.

ART. 74. Returns required of dealers for medicinal use.—Every wholesale or retail druggist, pharmacist, or other person registered as a dealer in Class III under the Act, who purchases or otherwise acquires and sells or otherwise transfers marihuana or its preparations exclusively for medicinal purposes in any manner except pursuant to prescriptions of registered practitioners, as elsewhere authorized in these regulations, shall render a monthly return on Form 810 and its supplements Forms 810a, 810b and 811c to the collector of internal revenue for the district on or before the 15th day of the month succeeding that for which the return is rendered. Returns for marihuana and its medicinal products will be rendered on these forms in accordance with instructions appearing thereon relating to opium and coca leaves and their derivatives. All receipts of marihuana for medicinal distribution will be reported on Form 810a, and all transfers or other dispositions on Form 810b, and a semiannual inventory of marihuana and preparations on hand will be rendered as of June 30 and December 31, and will be made a part of the June and December returns, respectively.

Where a person required by this article to render a return for marihuana on Form 810 and its supplements is also registered in Class 1 under the Harrison Narcotic Law, as amended, and renders a return under that Act on these same forms, the marihuana return may be made a part of such monthly narcotic return, but separate detail sheets, Forms 810a and 810b, must be used to report marihuana transactions. The totals of the various detail sheets of marihuana transactions will be carried to the "Other Opium Alkaloids" column of the Summary, Form 810.

ART. 75. General requirements regarding records required of registrants.—The details of all marihuana imported, purchased, received, compounded or manufactured, and all marihuana exported, sold, used in compounding or manufacture, or otherwise disposed of as reported on Form 961, shall be reported in supplemental detail sheets Form 961a, which shall be affixed to and become a part of such return. Detail sheets will be fully identified and numbered to correspond with the numbers of the summaries and lines to which they relate. The detailed report of imports shall show for each importation the name and address of the foreign consignor, the foreign port of export, the American

port of import, and the kind and quantity of marihuana imported. Producers will report the details of all seeds purchased or received for planting and all marihuana exported, sold or otherwise disposed of on page 3, Form 960. The detailed report of purchases shall show for each purchase the name and address of the seller, and the kind and quantity of marihuana purchased. The detailed report of other receipts shall show for each entry full information as to the circumstances of such receipt, the name and address of the person from whom acquired, and the kind and quantity of marihuana received. The detailed report of nonmedicinal marihuana products manufactured or compounded will show the date of completed manufacture or compounding and the kind and quantity of the product.

The detailed report of exports shall show in each instance the name and address of the foreign consignee, the kind and quantity of marihuana exported, the American port of export, and the foreign port of import. The detailed report of sales shall show for each sale the name, address, internal revenue collection district and registry number of the purchaser, the kind and quantity of marihuana sold, and the value of tax stamps affixed to the order form pursuant to which the sale was made. The detailed report of other dispositions shall show for each entry full information as to the disposition made of such marihuana and the kind and quantity of marihuana so disposed of. The detailed report of marihuana used in manufacture or compounding will show the kind and quantity so used, the date placed into process and the name of the product to be manufactured or compounded therefrom. Returns shall be prepared in duplicate and the duplicate retained by the registrant.

ART. 76. Returns required to be under oath.—All returns required by these regulations shall be rendered under oath, and shall be signed and sworn to by the registrant, if an individual, by a member of the firm, if a partnership, or by a principal officer, if a corporation. Where it is impracticable for the person interested to execute returns, they may be executed by another person pursuant to power of attorney prepared and filed as outlined in Art. 47.

Records

ART. 77. Laboratory use.—Persons who have registered and paid the tax to obtain and use in a laboratory any marihuana for the purpose of research, instruction, or analysis, are required to keep complete records relating to the receipt, disposal, and stock on hand, of all marihuana. A special record shall also be kept showing the date, the quantity and kind of marihuana used, the particular purpose or object of such use, and also showing as to the resulting product or residue, the date, quantity and kind, and manner of disposition. The Government does not furnish blanks for the keeping of this record, but it should be in a form substantially as follows:

Marihuana used				Identification and disposition of marihuana or resulting products and residues			
Date	Detailed description	Quantity	Purpose	Date	Products or residues	Quantity	Disposition

General Provisions

ART. 78. Records and returns to be retained.—All order forms, duplicate forms, prescription records, returns, and inventories required to be kept on file by the taxpayer shall be retained and available for inspection for a period of not less than two years.

SEC. 10 (b). Any person who shall be registered under the provisions of section 2 in any internal-revenue district shall, when-

ever required so to do by the collector of the district, render to the collector a true and correct statement or return, verified by affidavits, setting forth the quantity of marihuana received or harvested by him during such period immediately preceding the demand of the collector, not exceeding three months, as the said collector may fix and determine. If such person is not solely a producer, he shall set forth in such statement or return the names of the persons from whom said marihuana was received, the quantity in each instance received from such persons, and the date when received.

ART. 79. Special reports.—Statements pursuant to the foregoing section will be rendered on Form 680 in the manner and at the time requested by the collector of internal revenue.

SEC. 11. The order forms and copies thereof and the prescriptions and records required to be preserved under the provisions of section 6, and the statements or returns filed in the office of the collector of the district under the provisions of section 10 (b) shall be open to inspection by officers, agents, and employees of the Treasury Department duly authorized for that purpose, and such officers of any State, or Territory, or of any political subdivision thereof, or the District of Columbia, or of any insular possession of the United States as shall be charged with the enforcement of any law or municipal ordinance regulating the production, sale, prescribing, dispensing, dealing in, or distributing of marihuana.

ART. 80. Examining records.—Any officer, agent, or employee of the Treasury Department authorized to enforce the act, and any officer of any State, Territory, the District of Columbia, or insular possession of the United States charged with the enforcement of any law or municipal ordinance relating to the traffic in marihuana, shall have authority to examine the books, papers, and records kept pursuant to these regulations, and may require the production thereof.

ART. 81. Records open to inspection.—All order forms, duplicate forms, prescription records, returns, and inventories required under the Act or these regulations to be kept on file must be kept so that they can be readily inspected.

CHAPTER VI

Special Exemptions

Exempt Officials

SEC. 3 (b). An officer or employee of the United States, any State, Territory, the District of Columbia, or insular possession, or political subdivision, who, in the exercise of his official duties, engages in any of the activities enumerated in section 2 of this Act shall not be required to register or pay the special tax, but his right to this exemption shall be evidenced in such manner as the Secretary may by regulations prescribe.

ART. 82. Exempt officials.—Officials of the United States, the District of Columbia, any State, Territory, or insular possession of the United States, or of any county, municipality or other political subdivision therein, who, in the exercise of their official duties, acquire, dispense, or handle marihuana, are not thereby required to register or pay special tax, but their right to such exemption shall be evidenced as hereinafter provided.

ART. 83. Military and naval officers.—The Surgeon General of the Army and the Surgeon General of the Navy will respectively furnish to the Commissioner of Internal Revenue lists showing the names, addresses, and official status of all officers and contract surgeons authorized to obtain marihuana for official use. Quarterly amendatory lists showing additions to, eliminations from, or other changes to be made in previous lists shall also be furnished. The commanding officer of the National Guard of each State will likewise furnish original and amendatory lists to each collector of such State, similarly identifying the officers authorized to procure marihuana. With respect to procurement of marihuana by officers of the character indicated, see Article 85 entitled "procurement of marihuana."

ART. 84. Civil officers.—Each civil officer of the United States, or the District of Columbia, or of any State, Territory, or insular possession of the United States, or any county, municipality, or other political subdivision, claiming exemption from registration and tax under the Act, must file with the collector for the district in which he is located a certificate from a superior official showing the

official status and official address of the person claiming exemption and (1) whether he is to purchase the marihuana or obtain it from official stocks, and (2) whether or not the officer is to administer or dispense marihuana. Each such statement must be renewed on or before July 1 of each year.

ART. 85. Procurement of marihuana.—Each order for the purchase of marihuana by an exempt official must be accompanied by a certificate, issued by the collector for the district in which the purchasing official is located, on official stationery in the following form:

(Name)	(Rank or official capacity)
(Post of duty or official address)	
has evidenced his exemption from registration and payment of taxes under the Marihuana Tax Act of 1937, in the manner prescribed by the Commissioner of Narcotics, with the approval of the Secretary of the Treasury, and is entitled to purchase marihuana without the use of official order forms for the use of	
(Name of government and department thereof)	

Certificates in accordance with the foregoing form will be issued by the collectors upon request but no certificate may be issued for any officer or official unless the list or statement on file indicates that such officer or official is required to purchase marihuana.

If an official is engaged in a private business or privately practices a profession in which marihuana is imported, manufactured, produced, compounded, sold, dealt in, dispensed, prescribed, administered, or given away, such official must register and pay the special tax for such private activity, and the marihuana for such private purposes must be secured upon regular order forms.

SEC. 8 (b). No liability shall be imposed by virtue of this section upon any duly authorized officer of the Treasury Department engaged in the enforcement of this Act or upon any duly authorized officer of any State, or Territory, or of any political subdivision thereof, or the District of Columbia, or of any insular possession of the United States, who shall be engaged in the enforcement of any law or municipal ordinance dealing with the production, sale, prescribing, dispensing, dealing in, or distributing of marihuana.

ART. 86. Enforcement officers.—Special agents and customs agents, for the establishment of drawback under customs laws and regulations, inspectors of the Food, Drug and Insecticide Administration, Department of Agriculture, in connection with their duties in enforcing the Food and Drugs Act, and State or Federal officials engaged in their duties in enforcing any State or Federal marihuana law, are entitled to procure from any person registered under the Marihuana Tax Act of 1937 samples of marihuana, and registrants may lawfully furnish to any such persons for the purposes stated, the required samples, taking a receipt therefor, which shall be filed with their official order forms and records.

Transfer Procedure by Officials

ART. 87. Orders and prescriptions.—Orders and prescriptions issued by exempt officials as such for marihuana should be prepared on official blanks if such blanks are provided, or otherwise on official stationery, and must show the name, title, and official address of the person by whom executed.

ART. 88. Filing and filing orders and prescriptions.—An order issued for marihuana by an exempt official as such may be filled only by a person registered as an importer, manufacturer, compounder, producer, or dealer. Prescriptions of like issue may be filled only by retail druggists registered as dealers or by manufacturers supplying thereon marihuana of their own manufacture or compounding. Any registrant who fills an improperly prepared order or prescription may be charged with violation of Section 6 of the Act. Orders and prescriptions of exempt officials should when filled, be filed with the regular marihuana orders and prescriptions otherwise required.

Transfers to Puerto Rico and the Virgin Islands

Sec. 15. The provisions of this Act shall apply to the several States, the District of Columbia, the Territory of Alaska, the Territory of Hawaii, and the insular possessions of the United States, except the Philippine Islands. In Puerto Rico the administration of this Act, the collection of the special taxes and transfer taxes, and the issuance of the order forms provided for in section 6 shall be performed by the appropriate internal-revenue officers of that government, and all revenues collected under this Act in Puerto Rico shall accrue intact to the general government thereof. The President is hereby authorized and directed to issue such Executive orders as will carry into effect in the Virgin Islands the intent and purpose of this Act by providing for the registration with appropriate officers and the imposition of the special and transfer taxes upon all persons in the Virgin Islands who import, manufacture, produce, compound, sell, deal in, dispense, prescribe, administer, or give away marihuana.

[Here follows the text of Executive Order No. 7715, dated September 26, 1937, entitled "Prescribing Regulations for Carrying into Effect in the Virgin Islands Certain Provisions of the Marihuana Tax Act of 1937" (2 F. R. 2347 (DI)).]

ART. 89. *Transfers to be made pursuant to orders.*—No person in the continental United States may transfer marihuana to a person in Puerto Rico or in the Virgin Islands, except pursuant to an order form, bearing appropriate transfer tax stamp, issued by the appropriate officers in those territories. The transfer or other disposition of marihuana by any person in the continental United States to any person in Puerto Rico or in the Virgin Islands otherwise than as above described, shall subject the offending party or parties to the penalties provided by the Marihuana Tax Act of 1937. (See Art. 102.)

ART. 90. *Record of transfers required.*—Each transfer or other disposition of marihuana to persons in Puerto Rico or the Virgin Islands shall be recorded and reported by the transferor in the same manner as a transfer within the continental United States.

CHAPTER VII

Administrative Provisions

Assessment of Tax

SECTION 3182, UNITED STATES REVISED STATUTES

The Commissioner of Internal Revenue is hereby authorized and required to make * * * assessments of all taxes and penalties * * * where such taxes had not been duly paid by stamp at the time and in the manner provided by law, * * *

ART. 91. *Assessment of taxes not paid by stamp.*—Tax due on the transfer of marihuana not paid by attachment of stamps to order forms shall be reported for assessment. Special tax which the taxpayer refuses or fails to pay may likewise be reported for assessment.

Jeopardy Assessment

SECTION 1105, REVENUE ACT OF 1932, AS AMENDED BY SECTION 510, REVENUE ACT OF 1934

(a) If the Commissioner believes that the collection of any tax (other than income tax, estate tax, and gift tax) under any provision of the internal-revenue laws will be jeopardized by delay, he shall, whether or not the time otherwise prescribed by law for making return and paying such tax has expired, immediately assess such tax (together with all interest and penalties the assessment of which is provided for by law). Such tax, penalties, and interest shall thereupon become immediately due and payable, and immediate notice and demand shall be made by the collector for the payment thereof. Upon failure or refusal to pay such tax, penalty, and interest, collection thereof by distraint shall be lawful without regard to the period prescribed in section 3187 of the Revised Statutes, as amended.

(b) The collection of the whole or any part of the amount of such assessment may be stayed by filing with the collector a bond in such amount, not exceeding double the amount as to which the stay is desired, and with such sureties, as the collector deems necessary, conditioned upon the payment of the amount collection of which is stayed, at the time at which, but for this section, such amount would be due.

ART. 92. *Jeopardy assessment.*—(a) Whenever, in the opinion of the collector, the collection of the tax will be jeopardized by delay, he should report the matter promptly to the Commissioner by telegram or letter. The communication should recite the full name and address of the person

involved, the kind and amount of taxes, the period involved, and such statement of the circumstances and recommendation as will enable the Commissioner immediately to determine and assess the tax due, together with all penalties.

(b) If a jeopardy assessment is made, the taxpayer may stay the collection of the tax by filing with the collector a bond in such amount, not exceeding double the amount of the tax, and with such sureties, as the collector deems necessary, conditioned upon the payment of the tax at the usual time. In lieu of surety or sureties the taxpayer may deposit with the collector United States Liberty bonds or other bonds or notes of the United States having a par value not less than the amount of the bond required to be furnished, together with an agreement authorizing the collector to sell or collect such bonds or notes so deposited in case of default.

Payment by Check, Etc.

SECTION 1118 (A) REVENUE ACT OF 1926

Collectors may receive, at par with an adjustment for accrued interest, notes or certificates of indebtedness issued by the United States and uncertified checks in payment of income, war-profits, and excess-profits taxes and any other taxes payable other than by stamp, during such time and under such rules and regulations as the Commissioner, with the approval of the Secretary, shall prescribe; but if a check so received is not paid by the bank on which it is drawn the person by whom such check has been tendered shall remain liable for the payment of the tax and for all legal penalties and additions to the same extent as if such check had not been tendered.

ART. 93. *Payment by check, etc.*—(a) Collectors may receive uncertified checks in payment of assessments (but not in payment for stamps), if such checks are collectible at par—that is, for their full amount, without deduction for exchange or other charges. The collector will stamp on the face of each check before deposit the words "This check is in payment of an obligation to the United States and must be paid at par. No protest.", with his name and title.

(b) If the bank upon which any such check is drawn should, for any reason, refuse to pay it at par, the check should be returned through the depository bank and treated as a dishonored check. All expenses incident to the attempt to collect such check and the return of it through the depository bank must be borne by the drawer, since no deduction can be made from amounts received in payment of taxes. Unless the taxpayer whose check has been returned uncollected by the depository bank makes the check good immediately, or pays the amount thereof, the collector should proceed to collect the tax as though no check had been given. A taxpayer who tenders a check, whether certified or not, in payment of taxes, is not released from his obligation until the check has been paid.

Redemption of or Allowance for Stamps

ACT OF MAY 12, 1900, AS AMENDED BY SECTION 1013 (A) OF THE REVENUE ACT OF 1924

That the Commissioner of Internal Revenue, subject to regulations prescribed by the Secretary of the Treasury, may, upon receipt of satisfactory evidence of the facts, make allowance for or redeem such of the stamps, issued under authority of law, to denote the payment of any internal-revenue tax, as may have been spoiled, destroyed, or rendered useless or unfit for the purpose intended, or for which the owner may have no use, or which through mistake may have been improperly or unnecessarily used, or where the rates or duties represented thereby have been excessive in amount, paid in error, or in any manner wrongfully collected. Such allowance or redemption may be made, either by giving other stamps in lieu of the stamps so allowed for or redeemed, or by refunding the amount or value to the owner thereof, deducting therefrom, in case of repayment, the percentage, if any, allowed to the purchaser thereof; but no allowance or redemption shall be made in any case until the stamps so spoiled or rendered useless shall have been returned to the Commissioner of Internal Revenue, or until satisfactory proof has been made showing the reason why the same cannot be returned; or, if so required by the said Commissioner, when the person presenting the same cannot satisfactorily trace the history of said stamps from their issuance to the presentation of his claim as aforesaid.

Provided, further, That no claim for the redemption of or allowance for stamps shall be allowed unless presented within four years after the purchase of such stamps from the Government.

SEC. 2. That the finding of facts in and the decision of the Commissioner of Internal Revenue upon the merits of any claim presented under or authorized by this Act shall, in the absence of fraud or mistake in mathematical calculation, be final and not subject to revision by any accounting officer.

SEC. 3. That all laws and parts of laws in conflict with any of the provisions of this Act are hereby repealed.

ART. 94. *Claims*.—Amounts paid for stamps used in excess, or on instruments not actually effective, may be refunded, upon claim properly presented to the collector. All claims for the redemption of or allowance for stamps must be presented to the collector on Form 843 within four years after the purchase of said stamps from the Government. In filing a claim for the redemption of or allowance for stamps covering the tax on the transfer of marihuana, the stamps involved shall be submitted therewith, or if it is impracticable to submit the stamps, they shall be presented to a deputy collector or other internal-revenue representative, who shall write on the face of the stamps the words "Claim for refund filed" and a statement from such internal-revenue representative shall be furnished showing that such indorsement has been made. The claim shall be forwarded to the Collector of Internal Revenue for the district in which the taxpayer is located who shall certify as to the date the stamps were purchased. The provisions of sections 3220 to 3228, United States Revised Statutes, do not apply to the redemption of or allowance for internal-revenue stamps, and the authority for such redemption or allowance is the Act of May 12, 1900 (31 Stat. 177), as amended by section 1013 (a) of the Revenue Act of 1924, set forth hereinbefore.

Refunds

SECTION 3220 OF THE REVISED STATUTES, AS AMENDED BY SECTION 1111 OF THE REVENUE ACT OF 1926 AND SECTION 619 (B) OF THE REVENUE ACT OF 1928

Except as otherwise provided by law in the case of income, war-profits, excess-profits, estate, and gift taxes, the Commissioner of Internal Revenue, subject to regulations prescribed by the Secretary of the Treasury, is authorized to remit, refund, and pay back all taxes erroneously or illegally assessed or collected, all penalties collected without authority, and all taxes that appear to be unjustly assessed or excessive in amount, or in any manner wrongfully collected; also to repay to any collector or deputy collector the full amount of such sums of money as may be recovered against him in any court, for any internal-revenue taxes collected by him, with the cost and expenses of suit; also all damages and costs recovered against any assessor, assistant assessor, collector, deputy collector, agent, or inspector, in any suit brought against him by reason of anything done in the due performance of his official duty, and shall make report to Congress at the beginning of each regular session of Congress of all transactions under this section.

SECTION 3228 OF THE REVISED STATUTES, AS AMENDED BY SECTION 1112 OF THE REVENUE ACT OF 1926, SECTION 619 (C) OF THE REVENUE ACT OF 1928, AND SECTION 1106 OF THE REVENUE ACT OF 1932

(a) All claims for the refunding or crediting of any internal-revenue tax alleged to have been erroneously or illegally assessed or collected, or of any penalty alleged to have been collected without authority, or of any sum alleged to have been excessive or in any manner wrongfully collected must, except as otherwise provided by law in the case of income, war-profits, excess-profits, estate, and gift taxes, be presented to the Commissioner of Internal Revenue within four years next after the payment of such tax, penalty, or sum. The amount of the refund (in the case of taxes other than income, war-profits, excess-profits, estate, and gift taxes) shall not exceed the portion of the tax, penalty, or sum paid during the four years immediately preceding the filing of the claim, or if no claim was filed, then during the four years immediately preceding the allowance of the refund.

SECTION 1106 (B) OF THE REVENUE ACT OF 1932

(b) The amendment made by subsection (a) of this section to section 3228 of the Revised Statutes shall not bar from allowance a claim for refund filed prior to the enactment of this Act which but for such enactment would have been allowable.

ART. 95. *Refunds*.—As indicated hereinbefore, the transfer tax is ordinarily paid by the purchase and affixing of stamps, while special-tax stamps are issued in payment of special taxes. However, in exceptional cases, such taxes may be paid pursuant to assessment. Claims for refund of amounts so paid by assessment are governed by sections

3220 and 3228, United States Revised Statutes, as amended. Such claims must be presented within four years next after payment of the taxes.

Miscellaneous

ART. 96. *Safeguarding of marihuana*.—Marihuana must at all times be securely kept and properly safeguarded where it will be available for inspection by properly authorized officers, agents, and employees of the Treasury Department.

ART. 97. *Procedure with reference to losses*.—Where, through breakage of the container or other accident, otherwise than in transit between transferor and transferee, marihuana is lost or destroyed, the person having title thereto shall make affidavit as to the kind and quantity of the marihuana items lost or destroyed and the circumstances involved, and immediately forward the affidavit to the Narcotic District Supervisor. A copy of such affidavit shall be retained and filed with the other marihuana records. See appendix for list of Narcotic District Supervisors, their headquarters and States embraced.

Where marihuana is lost by theft, or otherwise lost or destroyed in transit between transferor and transferee, a sworn statement of the facts, including a list of marihuana items stolen, lost or destroyed, and documentary evidence that the local authorities were notified, shall immediately upon ascertainment of the occurrence be filed with the Narcotic District Supervisor by the consignee. A copy of the sworn statement shall be retained and filed with the other marihuana records of the consignee.

In case of loss in transit the transferor is not authorized to make good the loss by duplicating the shipment on the same order form. A separate order form covering each and every shipment of marihuana is required. But see Article 94 as to claims for redemption of stamps unnecessarily used.

ART. 98. *Procedure on discontinuance of business*.—Where it is desired to discontinue business the taxpayer should, before the discontinuance, dispose of all marihuana on hand. Where the discontinuance occurs on any date other than June thirtieth the special-tax stamp or stamps should be returned to the collector who will mark each such stamp "Business discontinued" with the date, and return the stamp to the taxpayer who shall file it with his marihuana records and retain it for a period of two years. The rendering of returns subsequent to the date of discontinuance will not be demanded, provided all marihuana has been accounted for and an affidavit is submitted in duplicate to the collector certifying that no further transactions of that class will be consummated. One copy of this affidavit will be forwarded to the Commissioner of Narcotics. Before business is discontinued the marihuana on hand may be disposed of either pursuant to an order form or to an exempt official, or by shipment to the Narcotic District Supervisor of the district, as provided in the following paragraphs for the disposition of excess, undesirable, or useless stock.

Excess, undesirable, or useless marihuana in the possession of a registered person may be disposed of by shipment, charges prepaid, to the Narcotic District Supervisor of the district. If the person has paid tax in a class under which returns are required to be rendered and the marihuana to be disposed of is a part of the stock for such class, an inventory of the marihuana shipped must be prepared in triplicate on the form used for detailed reporting of dispositions. The original inventory must be filed with the return for such class for the period in which the disposition takes place, the duplicate copy to be made a part of the retained copy of the return and the triplicate copy to be forwarded with the marihuana when shipped for disposition. If the marihuana is stock with respect to which returns are not required, an inventory shall be prepared in quadruplicate on Form 142, the duplicate of which shall be forwarded with the marihuana when shipped and the triplicate retained on file by the taxpayer for a period of two years. The shipper shall notify the Narcotic District Supervisor, advising of the size and description of the container in which the marihuana is

being forwarded, and enclosing the original and quadruplicate copy of the inventory which has been prepared.

The Narcotic District Supervisor will retain the quadruplicate copy of Form 142 in his file and forward the original to the Commissioner of Narcotics.

Forfeitures and Penalties

SEC. 9 (a). Any marihuana which has been imported, manufactured, compounded, transferred, or produced in violation of any of the provisions of this Act shall be subject to seizure and forfeiture and, except as inconsistent with the provisions of this Act, all the provisions of internal-revenue laws relating to searches, seizures, and forfeitures are extended to include marihuana.

(b) Any marihuana which may be seized by the United States Government from any person or persons charged with any violation of this Act shall upon conviction of the person or persons from whom seized be confiscated by and forfeited to the United States.

(c) Any marihuana seized or coming into the possession of the United States in the enforcement of this Act, the owner or owners of which are unknown, shall be confiscated by and forfeited to the United States.

(d) The Secretary is hereby directed to destroy any marihuana confiscated by and forfeited to the United States under this section or to deliver such marihuana to any department, bureau, or other agency of the United States Government, upon proper application therefor under such regulations as may be prescribed by the Secretary.

ART. 99. *Disposition of forfeited marihuana.*—Marihuana forfeited to the United States under these provisions of the law may be delivered to any department, bureau, or other agency of the United States Government upon proper application addressed to the Commissioner of Narcotics. The application shall show the name, address, and official title, bureau or agency, and department, of the person to whom the marihuana is to be delivered, the kind and quantity of marihuana desired and the purpose for which intended. The delivery of such marihuana shall be ordered by the Commissioner of Narcotics if, in his opinion, there exists a medical or scientific need therefor. The order will be filled by the Drugs Disposal Committee which will obtain a receipt for marihuana delivered.

ART. 100. *Court sales.*—Court officers in making sales of marihuana under judicial proceedings shall require the purchaser thereof, if other than an exempt official, who must be a registered person, to furnish order forms for such sales or transfers.

SEC. 2 (f). Collectors are authorized to furnish, upon written request, to any person a certified copy of the names of any or all persons who may be listed in their respective collection districts as special taxpayers under this section, upon payment of a fee of \$1 for each one hundred of such names or fraction thereof upon such copy so requested.

SEC. 3240. United States Revised Statutes, as amended. Each collector of internal revenue shall, under regulations of the Commissioner of Internal Revenue, place and keep conspicuously in his office, for public inspection, an alphabetical list of the names of all persons who shall have paid special taxes within his district, and shall state thereon the time, place, and business for which such special taxes have been paid, and upon application of any prosecuting officer of any State, county, or municipality he shall furnish a certified copy thereof, as of a public record, for which a fee of one dollar for each one hundred words or fraction thereof in the copy or copies so requested may be charged.

ART. 101. *List of taxpayers.*—The list of marihuana special-taxpayers required by the foregoing statute shall be kept on Record 10, and may be inspected and copied in the collector's office at such reasonable and proper times as not to interfere with the collector's use of it, or exclude other persons from inspecting it.

SEC. 12. Any person who is convicted of a violation of any provision of this Act shall be fined not more than \$2,000 or imprisoned not more than five years, or both, in the discretion of the court.

ART. 102. *Specific penalty.*—Persons who violate the Act or fail to fulfill its requirements in any particular are liable to punishment, the maximum liability being to a fine of not more than \$2,000 or imprisonment of not more than five years, or both, for each offense.

ART. 103. *Correspondence.*—Correspondence relative to interpretation of the law and these regulations may be addressed to the Commissioner of Narcotics, Washington, D. C. Inquiries relative to registration and requests for blank forms should be addressed to the various collectors of internal revenue. All remittances should be sent to the local collector of internal revenue. Correspondence regarding charges of violations of the law or regulations should be addressed to the Narcotic District Supervisor in charge of the proper district. (See appendix for list of collectors and Narcotic District Supervisors.)

ART. 104. *Effective date.*—These regulations shall take effect and be in force on and after October 1, 1937.

ART. 105. *Promulgation of regulations.*—In pursuance of section 14 of the Marihuana Tax Act of 1937, the foregoing regulations are hereby made and promulgated.

H. J. ANSLINGER,
Commissioner of Narcotics.

GUY T. HELVERING,
Commissioner of Internal Revenue.

[SEAL]

Approved, September 29, 1937.

ROSWELL MACILL,
Acting Secretary of the Treasury.

[F. R. Doc. 37-2914; Filed, September 30, 1937; 11:02 a. m.]

POST OFFICE DEPARTMENT.

[Order No. 10744]

WITHDRAWAL OF POSTAL SAVINGS DEPOSITS BY MAIL

AUGUST 13, 1937.

Paragraph 5, Section 1618, Postal Laws and Regulations, is amended to read as follows:

"When a depositor desires to make a withdrawal by mail, the postmaster at any depository office shall furnish him an application blank (Form PS 315) requesting a money order for the amount of the surrendered certificates and any interest due, less the money-order fee. This form shall be filled out and signed in duplicate in the presence of any postmaster, who shall witness the application and date it with the office stamp. The depositor shall indorse the certificates and deliver them, with the completed Form PS 315, to such postmaster, who shall forward the certificates and the original application to the postmaster at the depository office. The postage, including registry fee, for transmitting the application and surrendered certificates, shall be borne by the depositor making the application. The duplicate Form PS 315 shall be used to assist in the identification of the depositor on the presentation of the money order for payment."

[SEAL]

JAMES A. FARLEY,
Postmaster General.

[F. R. Doc. 37-2912; Filed, September 30, 1937; 10:49 a. m.]

[Order No. 10745]

WITHDRAWAL OF POSTAL SAVINGS DEPOSITS

AUGUST 13, 1937.

Paragraphs 1 (b) and 13 of section 1616, Postal Laws and Regulations, are hereby rescinded; and paragraphs 1, 5, 9, 11, and 12 of section 1616 are amended to read as follows:

"1616. Notwithstanding any other provision of law, (1) each deposit in a postal savings depository office shall be a savings deposit, and interest thereon shall be allowed and entered to the credit of the depositor once for each quarter beginning with the first day of the month following the date of such deposit, but no interest shall be allowed to any such depositor with respect to the whole or any part of the funds to his or her credit for any

period of less than three months; (2) no interest shall be paid on any such deposit at a rate in excess of that which may lawfully be paid on savings deposits under regulations prescribed by the Board of Governors of the Federal Reserve System pursuant to the Federal Reserve Act, as amended, for member banks of the Federal Reserve System located in or nearest to the place where such depository office is situated; * * * (39 U. S. C. 758, as amended by the Act of August 23, 1935, 49 Stat. 721.)

"5. When sufficient funds are not on hand to meet withdrawals, a postmaster who has been authorized by the Third Assistant Postmaster General to draw on a local bank shall draw his official check on the bank designated for that purpose, as provided in section 1613, paragraph 4, and for that purpose shall procure from the bank a supply of blank checks. Such checks shall be drawn only when absolutely necessary and for the sole purpose specified. They shall be made payable to the postmaster or his authorized representative and shall be drawn substantially in the following form: 'Pay to postmaster at ----- from postal-savings fund ----- dollars.' *They shall not be made payable to depositors nor delivered to them.* The postmaster may authorize his assistant or one or more clerks to draw checks in his absence, signing the postmaster's name, 'per -----' (signature of the person so authorized). He shall give proper notice to the bank of each such authorization, but he shall be liable on his official bond for the amount of all checks signed by such authorized representatives.

"9. (a) In order to obtain funds to meet withdrawals of principal or interest in excess of his daily receipts, a postmaster (other than the postmaster at Washington, D. C., or at a central postal-savings depository post office) who has not been authorized to draw on a local bank shall draw drafts (Form PS 316) on the designated central depository postmaster for any amount needed. However, for convenience and to avoid the too frequent use of drafts, postmasters shall use money-order funds, so far as practicable, to meet such withdrawals, and postmasters who have been granted a money-order credit with the Treasurer of the United States shall check on that credit to obtain necessary additional working funds. Memorandum slips (Form PS 622-A) to cover such temporary advances to the postal-savings account shall be placed with the money-order funds and held until reimbursement has been made. The postmaster shall reimburse the money-order account from surplus postal-savings funds subsequently received and, at the end of each month, shall draw a postal-savings draft for any amount still due the money-order account and shall dispose of the draft as money-order funds. The money-order account shall always be completely reimbursed at the end of each month, and the postmaster shall not reflect such temporary advances of money-order funds on his monthly reports to the Department. The postmaster shall debit in the daily summary (Form PS 708), or other form used in lieu thereof in accordance with specific instructions, the total amount of funds borrowed each day and shall credit in that record the total amount repaid to the money-order account. Postal-savings drafts shall not be drawn for any purpose other than that specified.

"(b) The postmaster at Washington, D. C., or at a central postal-savings depository post office where no authority has been granted to check on a local bank, shall use money-order funds, as provided in subparagraph 9 (a) of this Section, when sufficient postal-savings funds are not on hand to meet withdrawals by depositors or to cash postal-savings drafts drawn on him by other postmasters. He shall obtain funds needed to reimburse the money-order account from the Third Assistant Postmaster General and shall requisition such funds in ample time to insure complete reimbursement of the money-order account at the end of each month, and insufficient amount to meet the estimated needs of his office. Any excess over the amount immediately needed for reimbursing purposes shall be held as cash in the post office or shall be deposited, wholly or in part, in a temporary checking account in a designated de-

positary for government funds, as provided in Section 120, Postal Laws and Regulations. The postmaster at Washington, D. C., or at a central depository office where no authority has been granted to draw on a local bank, may hold as cash or deposit in such temporary checking account the current postal-savings receipts of his office, in reasonable anticipation of early needs.

"11. When the postmaster draws a draft (Form PS 316) on the designated central depository postmaster, he shall on that day debit the amount of the draft on the line provided in his daily summary (Form PS 708), or other form used in lieu thereof in accordance with specific instructions. The total of the drafts drawn during each month shall be shown by a similar debit entry on the monthly account current (Form PS 704), and the date, number, and amount of each draft shall be entered in Abstract D on the back of said form. The stubs of the drafts (Form PS 316) shall be retained on file.

"12. The postmaster at a central postal-savings depository post office, on receiving for payment a draft properly signed and endorsed by a postmaster authorized to draft on him, shall pay the draft from his current postal-savings receipts, or, if they are insufficient, from money-order funds (as provided in subparagraph 9 (b) or, if he has been granted a checking credit on a local bank, by cashing a check on his designated bank, as provided in paragraph 5 of this Section. If the draft is received direct from the drawing postmaster, the funds shall be sent by return registered mail, accompanied by a letter of transmittal on Form PS 319, and the remittance shall be prepared and dispatched in the manner provided in section 111."

[SEAL]

JAMES A. FARLEY,
Postmaster General.

[F. R. Doc. 37-2913; Filed September 30, 1937; 10:49 a. m.]

DEPARTMENT OF AGRICULTURE.

Agricultural Adjustment Administration.

Issued September 29, 1937.

DETERMINATION OF PROPORTIONATE SHARES FOR FARMS IN THE MAINLAND CANE SUGAR AREA FOR THE 1938 CROP, PURSUANT TO THE SUGAR ACT OF 1937

Whereas Section 302 of the Sugar Act of 1937 provides in part as follows:

(a) The amount of sugar or liquid sugar with respect to which payment may be made shall be the amount of sugar or liquid sugar commercially recoverable, as determined by the Secretary, from the sugar beets or sugarcane grown on the farm and marketed (or processed by the producer) not in excess of the proportionate share for the farm, as determined by the Secretary, of the quantity of sugar beets or sugarcane for the extraction of sugar or liquid sugar required to be processed to enable the producing area in which the crop of sugar beets or sugarcane is grown to meet the quota (and provide a normal carry-over inventory) estimated by the Secretary for such area for the calendar year during which the larger part of the sugar or liquid sugar from such crop normally would be marketed.

(b) In determining the proportionate shares with respect to a farm, the Secretary may take into consideration the past production on the farm of sugar beets and sugarcane marketed (or processed) for the extraction of sugar or liquid sugar and the ability to produce such sugar beets or sugarcane, and the Secretary shall, insofar as practicable, protect the interests of new producers and small producers and the interests of producers who are cash tenants, share-tenants, adherent planters, or share-croppers.

and

Whereas subsection (c) of section 301 of said act provides, as one of the conditions for payment to producers of sugar beets and sugarcane, as follows:

(c) That there shall not have been marketed (or processed) an amount (in terms of planted acreage, weight, or recoverable sugar content) of sugar beets or sugarcane grown on the farm and used for the production of sugar or liquid sugar to be marketed in, or so as to compete with or otherwise directly affect interstate or foreign commerce, in excess of the proportionate share for the farm, as determined by the Secretary pursuant to the provisions of section 302, of the total quantity of sugar beets or sugarcane required to be processed to enable the area in which such sugar beets or

sugarcane are produced to meet the quota (and provide a normal carry-over inventory) as estimated by the Secretary for such area for the calendar year during which the larger part of the sugar or liquid sugar from such crop normally would be marketed.

and

Whereas the Secretary of Agriculture, on September 14, 1937, estimated the quota (including a normal carry-over inventory) for the mainland cane sugar area, for the calendar year during which the larger part of the sugar or liquid sugar from the 1938 crop of sugarcane normally would be marketed, to be 439,071 tons of sugar, raw value;

Now, therefore, pursuant to the foregoing sections of said act, I, H. A. Wallace, Secretary of Agriculture, do hereby determine that the proportionate share of sugarcane for any farm in the mainland cane sugar area for the 1938 crop shall be as follows:

(a) That the proportionate share shall be calculated by taking the average of the 1935 and 1936 sugarcane for sugar acreage on the farm, adding the 1937 sugarcane for sugar acreage on the farm, and dividing by 2, but in no event shall the proportionate share be in excess of sixty percent of the cropland on the farm suitable for the production of sugarcane, except as hereinafter provided.

(b) That the minimum proportionate share shall be the largest of

1. The sum of the acreage planted to sugarcane for sugar in the fall of 1936, the spring of 1937, and the fall of 1937 prior to October 1, 1937,

2. for farms having 30 acres or less suitable for the production of sugarcane, one-third of such acreage but not less than five acres, or

3. for farms having more than 30 acres suitable for the production of sugarcane, ten acres in any event, with a further addition of one-fourth of such acreage in excess of 30 acres, provided that there is plowed under a leguminous crop, immediately prior to and in preparation for the 1937 fall planting of sugarcane, on an acreage equivalent to the difference between the acreage determined pursuant to this subsection (3) and section (a) above, except in any producing region of the mainland sugarcane area in which the plowing under of a leguminous crop prior to the planting of sugarcane is not practiced, in which case the minimum proportionate share shall not be in excess of the acreage in sugarcane on the farm as of October 1, 1937, less the acreage which would normally be replanted in the spring of 1938.

In addition to the foregoing, the following conditions shall be met:

1. That no change shall have been made in the leasing or cropping agreements for the purpose of, or which shall have the effect of, diverting to any producer any payment to which tenants or share croppers would be entitled if the 1937 leasing or cropping agreements were in effect.

2. That there shall have been no interference by any producer with contracts heretofore entered into by tenants or share croppers for the sale of their sugarcane.

Done at Washington, D. C., this 29th day of September, 1937. Witness my hand and the seal of the Department of Agriculture.

[SEAL]

H. A. WALLACE,
Secretary of Agriculture.

[F. R. Doc. 37-2915; Filed, September 30, 1937; 12:24 p. m.]

G. S. R. Series 2, No. 3

Issued September 29, 1937

[General Sugar Regulations, Series 2, No. 3]

ENTRY OF SUGAR INTO CONTINENTAL UNITED STATES FOR RE-EXPORT

GENERAL SUGAR REGULATIONS MADE BY THE SECRETARY OF
AGRICULTURE UNDER THE SUGAR ACT OF 1937

By virtue of the authority vested in the Secretary of Agriculture by the Sugar Act of 1937, approved September 1,

1937, I, H. A. Wallace, Secretary of Agriculture, in order to carry out the powers vested in me by the said act, do hereby make, prescribe, publish, and give public notice of these regulations, which shall have the force and effect of law and shall continue in force and effect until amended or superseded by regulations hereafter made by the Secretary of Agriculture.

Article I—Definitions

SECTION 100. As used in these regulations:

(a) The term "Act" means the Sugar Act of 1937, approved September 1, 1937.

(b) The term "person" means any individual, partnership, corporation, or association.

(c) The term "Secretary" means the Secretary of Agriculture of the United States.

(d) The term "quota" means any quota fixed by the Secretary pursuant to the Act.

(e) The term "allotment" means any allotment of any quota or proration thereof made by the Secretary pursuant to section 205 (a) of the Act.

Article II—Importing Sugar or Liquid Sugar Ex-Quota by Furnishing Bond

SECTION 200. Upon the furnishing of a bond as provided in section 201 hereof, the following sugar or liquid sugar from any foreign country, or from any sugar-producing area outside of continental United States, may be brought or imported into continental United States despite the quantities of sugar or liquid sugar already charged against the applicable quota or allotment and without being charged against such quota or allotment:

(a) Sugar or liquid sugar imported into continental United States for the purpose of being processed and exported as sugar or liquid sugar, and not to be used for domestic consumption in continental United States;

(b) Sugar or liquid sugar released from United States Customs custody and control for the sole purpose of being processed and returned thereto; and

(c) Sugar or liquid sugar imported into continental United States to be manufactured into articles to be exported from continental United States with benefit of drawback, or to be designated as the basis of a claim for drawback.

SEC. 201. Before any of the sugar or liquid sugar described in section 200 hereof shall be released from the United States Customs custody and control in excess of, or without being charged against, the applicable quota or allotment, the importer, consignee, owner of, or other person interested in, such sugar or liquid sugar shall furnish a bond with a surety or sureties satisfactory to the Secretary in such amount as the Secretary or his agent shall determine, or shall provide such other security as the Secretary or his agent shall determine, conditioned as follows:

(a) With respect to sugar or liquid sugar imported for the purpose of being processed by a processor and exported as sugar or liquid sugar from, and not to be used for domestic consumption in, continental United States, the condition shall be that the sugar or liquid sugar imported in the original or processed form, or an equivalent amount of sugar or liquid sugar processed by such processor, shall be delivered to such person or persons as the Secretary or his agent may designate for identification and inspection prior to exportation, and shall be actually exported from continental United States or destroyed within six months or such lawful extension of such time as the Secretary or his agent shall specify. In the event that the sugar or liquid sugar is exported with benefit of drawback, and inspection and identification by the collector of customs for purposes of drawback regulations is made, no further identification and inspection is required.

(b) With respect to sugar or liquid sugar released from United States Customs custody and control for the sole purpose of being processed by a processor and returned thereto, the condition shall be that such sugar, or an

equivalent amount of sugar, or that such liquid sugar, or an equivalent amount of liquid sugar, processed by such processor, shall be returned to the United States Customs custody and control or destroyed within one month or such lawful extension of such time as the Secretary or his agent shall specify.

(c) With respect to sugar or liquid sugar imported to be used in the manufacture or production of articles to be exported with benefit of drawback, or which is to be designated as the basis for the allowance of drawback (including irrecoverable waste), the condition shall be that, within three years from the date of importation, such sugar or liquid sugar or an equivalent amount thereof shall have been exported as shown by (1) the allowance of a claim or claims for drawback, or (2) other proof of exportation satisfactory to the Secretary, or that such sugar or liquid sugar or an equivalent amount of such sugar or liquid sugar available for a drawback claim, or claims, shall have been destroyed; except that the Secretary or his agent may, under appropriate terms, permit release of any such bond or other security upon allowance of drawback based on a designation of other sugar or liquid sugar.

Sec. 202. Any bond or other security given under this article shall be further conditioned upon payment to the United States of America of all United States Customs Bureau expenses of supervision and control, if any, during the time such sugar or liquid sugar is within continental United States under the authority of these regulations.

Sec. 203. The Secretary or his agent may cancel or release any bond or other security given under this article if, upon the sale or transfer of such sugar or liquid sugar or the sugar or liquid sugar designated for drawback claim, or any part thereof, the purchaser or other person having an interest therein shall furnish in substitution a bond with good and sufficient sureties, or other acceptable security covering such sugar or liquid sugar or such part thereof as may be sold or transferred.

Article III—Charging of Quota Upon Forfeiture of Bond

SECTION 300. Upon the forfeiture of any bond or security given pursuant to article II, the quota for the country or area in which such sugar or liquid sugar originated and the allotment to which it would be chargeable if brought in or imported at the time of the forfeiture shall be charged as of the time of forfeiture with the amount of such sugar or liquid sugar, and to the extent that such sugar or liquid sugar exceeds the quota of such country or area, or the chargeable allotment, the forfeiture of the bond shall constitute a violation of the quota and/or allotment regulations or orders issued under the Act, and the person who has furnished such bond shall be subject to the penalties prescribed by sections 504 and 506 of the Act, insofar as said penalties may exceed the sum so forfeited under any such bond.

Article IV—Credits Upon Exportation of Sugar or Liquid Sugar

SECTION 400. If any sugar or liquid sugar imported into continental United States from any country is charged at the time of importation against any quota and such sugar or liquid sugar in original or processed form, or an equivalent amount of sugar or liquid sugar, is exported from continental United States and not used for consumption therein, or such sugar or liquid sugar is exported with benefit of drawback, or a claim or claims for drawback is or are allowed upon the basis of a designation of the imported sugar or liquid sugar, the amount of sugar or liquid sugar so exported shall, as of the date of exportation, be credited to the current quota unless such exportation is in compliance with a condition of a bond issued pursuant to section 201 hereof.

Article V—Reports

SECTION 500. The United States Customs Bureau is authorized to require from any refiner, manufacturer, processor, Regulations but notwithstanding this designation the Secrethandler, importer, consignee, owner, or other person inter-

ested in such sugar or liquid sugar in the importation, processing, or exportation thereof, such declarations, certificates, invoices, oaths, and other documents which may be necessary to carry out the provisions of these regulations.

Article VI—Designation of Chief of Sugar Section as Agent

SECTION 600. The Chief or Acting Chief of the Sugar Section, Agricultural Adjustment Administration, is hereby designated as the agent of the Secretary to administer these Regulations. Any agent appointed under this section or the collector of customs responsible for the release from customs custody of any sugar bonded under these Regulations shall be a proper person to approve or cancel any bond given under these Regulations.

In testimony whereof, I have hereunto set my hand and caused the official seal of the Department of Agriculture to be affixed in the District of Columbia, city of Washington, this 29th day of September, 1937.

[SEAL]

H. A. WALLACE,
Secretary of Agriculture.

[F. R. Doc. 37-2916; Filed, September 30, 1937; 12:24 p. m.]

DEPARTMENT OF LABOR.

Immigration and Naturalization Service.

[General Order No. 251]

NOTICE TO SUBSTITUTE WITNESSES TO PETITION FOR NATURALIZATION

AMENDMENT OF THE NATURALIZATION REGULATIONS OF DECEMBER 1, 1936

SEPTEMBER 29, 1937.

By virtue of and pursuant to authority conferred by Section 28 of the Act of June 29, 1906 (34 Stat. 606; U. S. C., title 8, sec. 356), as amended by Section 8 of the Act of March 2, 1929 (45 Stat. 1515), and Executive Order No. 6166 dated June 10, 1933, Naturalization Rule 7, Subdivision D, Paragraph 6 is hereby amended to read as follows:

PAR. 6. Where the witnesses who verified the petition cannot be produced upon the final hearing of the petition, and the petitioner desires to substitute other witnesses in their stead, notice thereof shall be given on form 2215 a reasonable time in advance of the date set for the final hearing of the petition for citizenship, either by the petitioner or the clerk of court, to the naturalization officer having administrative supervision over the district in which the petition is filed, except that where the competency and qualifications of the original witnesses have been determined and a representative of the Service attends the final hearing in person, notice of intention to substitute witnesses may be given to such representative attending such hearing. In no case shall final hearing be held until the substitute witnesses have been examined by a representative of this Service and affidavit in triplicate on form 2218-A executed before such representative or before the clerk of court. One copy of this affidavit will be attached to the original petition prior to or at the time of the final hearing and the others to the duplicate and triplicate petitions in order that the records may show the facts.

[SEAL]

JAMES L. HOUGHTLING
Commissioner of Immigration and Naturalization.

Approved:

FRANCES PERKINS, Secretary.

[F. R. Doc. 37-2909; Filed, September 30, 1937; 10:41 a. m.]

[General Order No. 253.]

CERTIFICATION OF NATURALIZATION RECORDS

AMENDMENT OF THE NATURALIZATION REGULATIONS OF DECEMBER 1, 1936

SEPTEMBER 29, 1937.

By virtue of and pursuant to authority conferred by Section 28 of the Naturalization Act of June 29, 1906 (34 Stat. 606; U. S. C., title 8, section 356), as amended by Section 8 of the

Act of March 2, 1929 (45 Stat. 1515), and Executive Order No. 6166, dated June 10, 1933, Naturalization Rule 14 is hereby amended to read as follows:

Rule 14.—Certification of Naturalization Records

Subdivision A.—Procedure for obtaining certification

PARAGRAPH 1. Application may be made on form 2605 to the Commissioner of Immigration and Naturalization for certification of a naturalization record of any court, or any part thereof, or of any certificate of citizenship, for use in complying with any statute, either Federal or State, or in any judicial proceeding. The applicant shall fill out properly, sign, make oath to, and forward the application to the Commissioner of Immigration and Naturalization, Washington, D. C.

PAR. 2. If the certification be desired for use in complying with a statute, the date and citation of the statute concerned shall be stated in the application. If it be desired for use in a judicial proceeding, the application shall set forth the title and character of the proceeding and the court in which it is pending, and shall be accompanied by an order of such court requesting the Commissioner to supply the certification. The application shall state the title and address of the officer or the court to whom the certification shall be sent.

PAR. 3. If the application be for certification of a declaration of intention in lieu of one filed with a petition for citizenship, the application must be accompanied by two photographs of the applicant in accordance with Rule 5.

PAR. 4. No clerk of court shall make any certification of any naturalization records, except upon appropriate order of the court.

[SEAL]

JAMES L. HOUGHTLING,

Commissioner of Immigration and Naturalization.

Approved:

FRANCES PERKINS, *Secretary.*

[F. R. Doc. 37-2910; Filed, September 30, 1937; 10:41 a. m.]

[General Order No. 254.]

EXTENSION OF TIME FOR THE NATURALIZATION OF ALIEN VETERANS OF THE WORLD WAR

AMENDMENT OF THE NATURALIZATION REGULATIONS OF DECEMBER 1, 1936

SEPTEMBER 29, 1937.

By virtue of and pursuant to authority conferred by Section 3 of the Act of August 23, 1937 (Public No. 338, Chapter 735—75th Congress), Naturalization Rule 7, Subdivision D, Paragraph 8, is hereby amended to read as follows:

PAR. 8. An alien veteran of the following description may be naturalized under the Act of August 23, 1937 (Public No. 338, Chapter 735—75th Congress), under the following exemptions and special proofs and procedure.

I. Alien Veterans

Veterans of the United States

An individual who—

(a) Was a member of the military or naval forces of the United States at any time after April 5, 1917, and before November 12, 1918; and

(b) Is an alien not ineligible to citizenship; and

(c) Was not at any time during the period described in sub-paragraph (a) hereof, or thereafter, separated from such forces under other than honorable conditions; and

(d) Was not a conscientious objector who performed no military duty whatever or refused to wear the uniform; and

(e) Was not at any time during the period described in subparagraph (a) hereof, or thereafter, discharged from the military or naval forces on account of his alienage.

Veterans of Allied Countries

An alien who—

(f) Was lawfully admitted into the United States for permanent residence and thereafter

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(g) Departed therefrom between August 1914 and April 5, 1917; or

Departed therefrom subsequent to April 5, 1917, for the purpose of serving; and

(h) Actually served prior to November 11, 1918, in the military or naval forces of any of the countries allied with the United States in the World War; and

(i) Was discharged from such service under honorable circumstances.

The following countries were allied with the United States during the World War: Belgium, Bolivia, Brazil, China, Costa Rica, Cuba, Czechoslovakia, Ecuador, France, Great Britain, Greece, Guatemala, Haiti, Hejaz, Honduras, Italy, Japan, Liberia, Montenegro, Nicaragua, Panama, Peru, Poland, Portugal, Rumania, Russia, San Marino, Serbia, the Serb-Croat-Slovene State, Siam, and Uruguay.

II. Exemptions From the Usual Requirements for Naturalization

(a) No declaration of intention is required;

(b) Proof of the usual five years' residence in the United States and six months' county residence is not required (see III (e));

(c) No certificate of arrival is required unless applicant's legal admission to the United States for permanent residence occurred subsequent to March 3, 1924 (see III (f));

(d) Petition may be filed in the most convenient naturalization court without proof of residence within its jurisdiction;

(e) No petition fee is required unless petition is filed in a State court and the laws of such State require a fee, in which case nothing more than the amount required to be paid to the State shall be charged or collected.

III. Special Proofs and Procedure

As to Veterans of the United States and Allied Countries

(a) Applicant must be residing in the United States;

(b) Petition must be filed prior to May 25, 1938;

(c) Applicant and his witnesses must appear before the appropriate representative of the Service and pass preliminary examination previous to filing petition. Certification of such examination shall be made by the examiner, in triplicate, on form 2800; and sworn statement shall be made by the applicant, in triplicate, on form 169. One copy of each of said documents shall be attached to each copy of the petition;

(d) Applicant must produce competent proof of his service under honorable circumstances with armed forces;

(e) Applicant is required to prove at least two years' continuous residence within the United States immediately preceding the filing of the petition for naturalization, such residence being established pursuant to legal admission for permanent residence, in lieu of the usual five years' residence in the United States and six months' county residence;

(f) If admission to the United States for permanent residence occurred subsequent to March 3, 1924, a certificate of arrival must be filed with the petition;

(g) Applicant must prove that he has behaved as a person of good moral character during the five years immediately preceding the filing of his petition;

(h) Applicant must appear and file his petition in person;

(i) Residence and good moral character shall be proved either by the affidavits of two credible witnesses who are citizens of the United States or by depositions of two such persons made before a naturalization examiner for each place of residence;

(j) Final action shall not be had upon the petition until at least ninety days have elapsed after the filing of the petition;

(k) Applicant must take the prescribed oath of allegiance in open court.

As to Veterans of Allied Countries Only

(I) Applicant is required to prove that he was and had been a bona fide lawfully admitted resident in the United States for two years before August 23, 1937.

[SEAL]

JAMES L. HOUGHTLING,

Commissioner of Immigration and Naturalization.

Approved:

FRANCES PERKINS, Secretary.

[F. R. Doc. 37-2911; Filed, September 30, 1937; 10:41 a. m.]

RECONSTRUCTION FINANCE CORPORATION.

[Circular No. 13 (Revised)]

INFORMATION REGARDING LOANS TO INDUSTRY

For the purpose of maintaining and increasing the employment of labor, Reconstruction Finance Corporation is authorized to make loans, when so secured as reasonably to assure repayment, to solvent industrial or commercial businesses, directly or in cooperation with banks or other lending institutions, or by the purchase of participations.

I. REQUIREMENTS IMPOSED BY LAW

(a) The loan can only be made if credit at prevailing bank rates for loans of the character applied for is not otherwise available at banks.

(b) The loan must be so secured as reasonably to assure repayment.

(c) The loan must mature not later than January 31, 1945.

(d) The loan may be made only when deemed to offer reasonable assurance of maintaining or increasing the employment of labor.

(e) The borrower must be solvent at the time of disbursement of the loan.

(f) The loan is subject to such other terms, conditions and restrictions as may be determined by Reconstruction Finance Corporation.

II. TERMS, CONDITIONS, AND PURPOSES

Loans to industry will be made by this Corporation upon the following terms and conditions, and for the following purposes:

A. Maturities

Such loans shall mature at such time, prior to January 31, 1945, as Reconstruction Finance Corporation may in each case determine. A program of payments will be arranged with a view to the borrower's orderly liquidation of its debt.

It is contemplated that loans will not be made for a longer term than is justified by the facts of the particular case. However, the period of time so determined will be sufficient, in so far as can be estimated at the time the loan is granted, to enable the borrower to make plans for the development of future business without being unnecessarily restricted by a repayment schedule which would impair the borrower's working capital during the life of the loan. When loans are primarily to finance capital expenditures, a repayment program up to January 31, 1945, may be considered. For established industries whose need is principally for shorter term credit, such loans usually should be repaid within five years or less.

B. Interest Rates

Interest shall be at such rate as may be fixed from time to time by this Corporation.

C. Purposes

As Section 5d of the Reconstruction Finance Corporation Act, as amended, provides that loans thereunder shall be made for maintaining and increasing the employment of labor, this Corporation will make industrial loans for the following purposes:

(a) *Loans for labor and materials.*—This Corporation will give consideration to applications for loans, the proceeds of which will be used for the payment of labor and

the purchase of material required in the operation of a business.

(b) *Loans to pay existing indebtedness and taxes.*—This Corporation will give consideration to applications for loans where a portion of the proceeds is to be applied to the payment of taxes and existing indebtedness. Applications for loans will be considered where a substantial portion of the proceeds is to be used to satisfy existing indebtedness on a compromise basis satisfactory to this Corporation, provided it is shown that the loan is necessary to maintain the employment of labor, that the applicant, after the debt adjustment (which may be made either by compromise settlement in full satisfaction of the debt, or by partial payment in cash and the issuance of junior obligations or equity securities), will have sufficient operating assets, and that there is reasonable assurance of continuous operation.

(c) *Loans for the purchase of machinery.*—This Corporation will give consideration to applications for loans when the proceeds will be used for the replacement of obsolete or worn out machinery or for the purchase of additional machinery, provided it is shown that such capital expenditures are necessary for efficient operation and are economically sound.

(d) *Loans for new enterprises and for the expansion of existing businesses.*—This Corporation will consider applications for loans to new industries or to enable established business concerns to expand into new fields of endeavor, provided it can be shown that such loans will be economically sound and socially desirable. Applicants must have substantial equity investment, without giving consideration to services rendered, patents, good-will, or similar intangibles, or to the potential value which will be established if the operations are successful, so that the funds advanced by this Corporation will be secured as required by law and will not be subject to the risks incident to and properly borne by equity investors. The new enterprise must be sufficiently beyond the developmental or promotional stage that profitable future operations, and therefore continuous employment of labor, can reasonably be assured. Also, it will be required that after giving effect to the loan from this Corporation the applicant will have working capital adequate to assure continuous operation. The collateral value of the security, the net worth and financial condition of the applicant, and future earning prospects will be considered carefully.

(e) *Loans to finance industrial construction.*—When a loan from this Corporation is to be used in whole or in part to finance industrial construction, this Corporation may advance funds for this purpose as the construction progresses, provided the initial advances shall be satisfactorily secured by existing assets of the applicant. Final disbursement will be made on the completion of the new industrial property free from all liens other than this Corporation's mortgage. In all such cases, it will be necessary to show that either out of the current assets of the company or out of the proceeds of this Corporation's loan, sufficient funds have been provided to complete the construction and to provide working capital adequate to insure continuous operation.

It is not the intention of this Corporation to make loans:

(a) To provide for the operation of any business in receivership, though applications will be considered for loans contingent upon the termination of the receivership, by settlement with creditors or otherwise, upon a basis which will restore the business to a solvent condition.

(b) To finance imports or exports, except where such imports or exports are only minor and incidental to the general business conducted.

(c) To finance the development or purchase of new inventions, the cost of obtaining patents, the expense of infringement suits or any other litigation.

III. ELIGIBILITY

Applications for loans will be received from industrial and commercial businesses (including the fishing industry),

whether corporations, partnerships or individuals. It is the view of this Corporation that the purpose of such loans, as expressed by Congress, i. e. "maintaining and increasing the employment of labor", necessitates a construction which emphasizes the employment of labor, as in manufacturing concerns, as distinguished from the purchase of inventories, as in commercial business.

Loans to the ore industries will be made under the provisions of this Corporation's Circular No. 14 and not under the provisions of this Circular.

Loans to institutions for the exclusive purpose of financing the carrying and orderly marketing of agricultural commodities will be made only under the provisions of this Corporation's Circular No. 10.

Information regarding loans to institutions financing principally the sale of electrical, plumbing or air conditioning appliances or equipment or other household appliances, may be obtained from this Corporation upon request.

Loans on real estate which is not owned by and used in connection with the operation of an industrial or commercial business will not be considered under the provisions of this Circular. Information concerning such loans may be obtained from The RFC Mortgage Company, Washington, D. C.

IV. SECURITY REQUIREMENTS

Section 5d of the Reconstruction Finance Corporation Act, as amended, requires that all loans made thereunder shall be "so secured as reasonably to assure repayment of the loans." Loans should be secured by collateral of character and amount which, considered in connection with other factors such as the character and ability of the management and prospective earnings, will afford reasonable assurance of repayment.

The security may consist of one or more of the following: a first mortgage on real estate, plant and equipment, an assignment of warehouse receipts for marketable merchandise stored in satisfactory warehouses, a first mortgage on chattels or an assignment of current receivables (accounts, notes or trade acceptances). Such loans will not be made on the sole security of unsecured receivables, or of receivables representing non-industrial instalment purchases, or of equipment or other chattels not represented by warehouse receipts. The applicant may offer, as additional collateral, a first lien on any other assets of sound value.

This Corporation usually will not consider as satisfactory primary security the following: second mortgages, franchises, patents, good-will, foreign securities, a mortgage on property owned and occupied as his home by an individual borrower, shares of stock of corporate applicants, or shares of stock without readily ascertainable market value. An assignment of orders will not constitute satisfactory primary security, though such orders may be important to establish the ability of the applicant to repay the loan. A pledge or mortgage of inventories generally will not be regarded as satisfactory collateral, unless stored in a bonded or otherwise acceptable warehouse, or unless the applicable State law provides for creating and maintaining a satisfactory lien upon inventory not so warehoused.

V. SOLVENCY

Section 5d of the Reconstruction Finance Corporation Act, as amended, provides that such loans shall be made only when, in the opinion of the Board of Directors of this Corporation, the applicant is solvent. If the applicant is not solvent at the time of making application, the application should indicate the manner in which the applicant will become solvent prior to the time of disbursement of the proposed loan.

VI. CHARGES, COMMISSIONS, BONUSES, FEES, ETC.

Payment of bonuses, fees or commissions for the purpose of, or in connection with, obtaining loans is strictly prohibited. However, the borrower, subject to the prior approval of this Corporation, may be allowed to pay the actual reasonable costs incurred in the making of the loan. Such charges may

include reasonable compensation for services rendered by attorneys, appraisers, accountants, etc., but not in any event for alleged services in connection with the presentation of the application to this Corporation. All charges must be fully disclosed. A fee based upon a percentage of the loan will be objected to, as also will fees or charges made contingent upon the obtaining of the loan. Applicants will be required to furnish satisfactory proof in the application that no bonus, fee or commission has been or will be paid, and that no compensation, other than reasonable compensation for services required in making the loan, fully disclosed and itemized, has been or will be paid.

VII. SALARIES AND DIVIDENDS

As required by law, the applicant must agree that, so long as any portion of the loan remains outstanding, it will not pay compensation to any officer, director or employee at a rate in excess of that which appears reasonable to this Corporation.

So long as any portion of the loan remains outstanding, no dividends may be paid by any corporate applicant nor any distribution (except reasonable compensation for services) made by partnership or individual applicants, without the consent of this Corporation.

VIII. AUDITS AND APPRAISALS

In connection with preliminary applications, the Loan Agencies of this Corporation do not require audits or appraisals. With each formal application, an appraisal of plant and equipment, by an appraiser for this Corporation, or otherwise, satisfactory to the Manager of the Loan Agency, should be arranged for (if not already available as of a date not more than 6 months preceding the date of filing of the application), but only upon and in accordance with request of the Manager of the Loan Agency.

Independent audits usually are not required in the case of loans of \$25,000 or less, when the applicant furnishes satisfactory sworn financial statements. An audit of the applicant, by an auditor for this Corporation or a satisfactory independent auditor, as of a date not more than 6 months prior to date of application, will ordinarily be required prior to disbursement in connection with an approved loan of more than \$25,000, but should be arranged for only upon request of the Manager of the Loan Agency.

IX. LOANS IN COOPERATION WITH BANKS OR OTHER LENDING INSTITUTIONS, AND PURCHASES OF PARTICIPATIONS IN LOANS

This Corporation will receive applications from Federal Reserve Banks or other banks for the purchase by this Corporation of participations in loans of the character described in this Circular, made by such banks, and will make such loans in cooperation with Federal Reserve Banks, or other banks or lending institutions, when such loans are for the purposes and in accordance with the terms and conditions set forth in this Circular.

The provision for the purchase of participations is interpreted by this Corporation as permitting Federal Reserve Banks, or other banks, to complete loans in their own names to qualified industrial borrowers, thus maintaining the normal relationship of banker and customer. The lending bank may feel that the loan required is, for one reason or another, too large for the bank to carry, and may desire that this Corporation participate in the risk. Provided any such loan is made after consideration and approval by this Corporation of the purchase of a participation therein, and is in accordance with the terms and conditions set forth in this Circular, this Corporation has authority to purchase a participation in such loan from the lending bank or to make an agreement to purchase if requested to do so within a specified time.

The Comptroller of the Currency has ruled that the Act of Congress of June 19, 1934, relating to industrial loans (which Act was amended by the Act of January 31, 1935), was intended to expand the scope of the lending power of

national banks so as to permit a national bank to make a loan under said Act which exceeds or departs from the restrictive provisions of the United States Revised Statutes, Section 5200, as amended, and the Federal Reserve Act, Section 24, provided that the national bank has obtained a commitment from Reconstruction Finance Corporation or a Federal Reserve Bank to take, within a specified period, a portion of said loan so that the net amount of the national bank's participation, after giving effect to the commitment, would be within the limitations imposed by the aforesaid restrictive provisions.

This Corporation will also cooperate with Federal Reserve Banks or other banks or lending institutions in making such loans; for instance, by making a loan directly to the borrower at the same time that another loan is made by the bank or other lending institution, or by other mutually satisfactory arrangements which will bring about cooperation between existing financial institutions and this Corporation in lending money.

This Corporation invites the cooperation of banks or other lending institutions in making loans under the program outlined herein, in the hope that such banks ultimately will take the entire loan, when conditions and the credit risk justify.

Further information concerning such participation agreements between this Corporation and lending banks may be obtained from this Corporation's Circular No. 15.

X. INFORMATION TO BE FILED AND METHOD OF FILING

Preliminary application forms and formal application forms may be obtained from the Loan Agency of Reconstruction Finance Corporation serving the district in which the applicant is located. (See list of such Loan Agencies below, and map showing Loan Agency districts on page 2415.) Preliminary application forms, requiring a minimum amount of information, and without audit or appraisals, will be considered by the Loan Agencies, in order that applicants may be spared the trouble and expense of filing a formal application where clearly not warranted by the circumstances.

Applications should be filed with the Loan Agency serving applicant's district. No application will be received directly at the Washington office of this Corporation.

All requests for information should be directed to the local Loan Agency of this Corporation serving applicant's district and not to the Washington office.

Each Loan Agency of this Corporation will, when requested, assist and advise with applicants in determining their eligibility, and in the preparation of applications; provided, however, that any such assistance, advice, or suggestions by such Agencies shall in no sense be considered as a commitment of Reconstruction Finance Corporation to make the loan.

XI. LOCATIONS OF LOAN AGENCIES OF RECONSTRUCTION FINANCE CORPORATION

(The territory served by each Loan Agency is indicated on the map on page 2415.)

Atlanta, Ga.
Birmingham, Ala.
Boston, Mass.
Charlotte, N. C.
Chicago, Ill.
Cleveland, Ohio.
Dallas, Tex.
Denver, Colo.
Detroit, Mich.
El Paso, Tex.
Helena, Mont.
Houston, Tex.
Jacksonville, Fla.
Kansas City, Mo.
Little Rock, Ark.
Los Angeles, Calif.

Louisville, Ky.
Minneapolis, Minn.
Nashville, Tenn.
New Orleans, La.
New York, N. Y.
Oklahoma City, Okla.
Omaha, Nebr.
Philadelphia, Pa.
Portland, Oreg.
Richmond, Va.
St. Louis, Mo.
Salt Lake City, Utah.
San Antonio, Tex.
San Francisco, Calif.
Seattle, Wash.
Spokane, Wash.

In addition, this Corporation maintains a Special Representative at San Juan, Puerto Rico, through whom all applications from Puerto Rico should be forwarded.

XII. ACTS OF CONGRESS APPLICABLE TO LOANS OF THE CHARACTER HEREIN DESCRIBED

The following sections of the Reconstruction Finance Corporation Act, as amended, applicable to such loans, are quoted for the information of prospective borrowers:

Sec. 5d. For the purpose of maintaining and increasing the employment of labor, when credit at prevailing bank rates for the character of loans applied for is not otherwise available at banks, the Corporation is authorized and empowered to make loans to any industrial or commercial business, which shall include the fishing industry, and to any institution, now or hereafter established, financing principally the sale of electrical, plumbing or air conditioning appliances or equipment or other household appliances, both urban and rural. Such loans shall, in the opinion of the board of directors of the Corporation, be so secured as reasonably to assure repayment of the loans, may be made directly, or in cooperation with banks or other lending institutions, or by the purchase of participations, shall mature not later than January 31, 1945, shall be made only when deemed to offer reasonable assurance of continued or increased employment of labor, shall be made only when, in the opinion of the board of directors of the Corporation, the borrower is solvent, shall not exceed \$300,000,000 in aggregate amount at any one time outstanding, and shall be subject to such terms, conditions, and restrictions as the board of directors of the Corporation may determine.

The power to make loans given herein shall terminate on January 31, 1937, or on such earlier date as the President shall by proclamation fix; but no provision of law terminating any of the functions of the Corporation shall be construed to prohibit disbursement of funds on loans and commitments, or agreements to make loans, made under this section prior to January 31, 1937, or such earlier date.

The following sections of the Reconstruction Finance Corporation Act, as amended, are applicable to loans under Section 5d of the Reconstruction Finance Corporation Act, as amended:

Sec. 16. (a) Whoever makes any statement knowing it to be false, or whoever willfully overvalues any security, for the purpose of obtaining for himself or for any applicant any loan, or extension thereof by renewal, deferment of action, or otherwise, or the acceptance, release, or substitution of security therefor, or for the purpose of influencing in any way the action of the corporation, or for the purpose of obtaining money, property, or anything of value, under this Act, shall be punished by a fine of not more than \$5,000 or by imprisonment for not more than two years, or both.

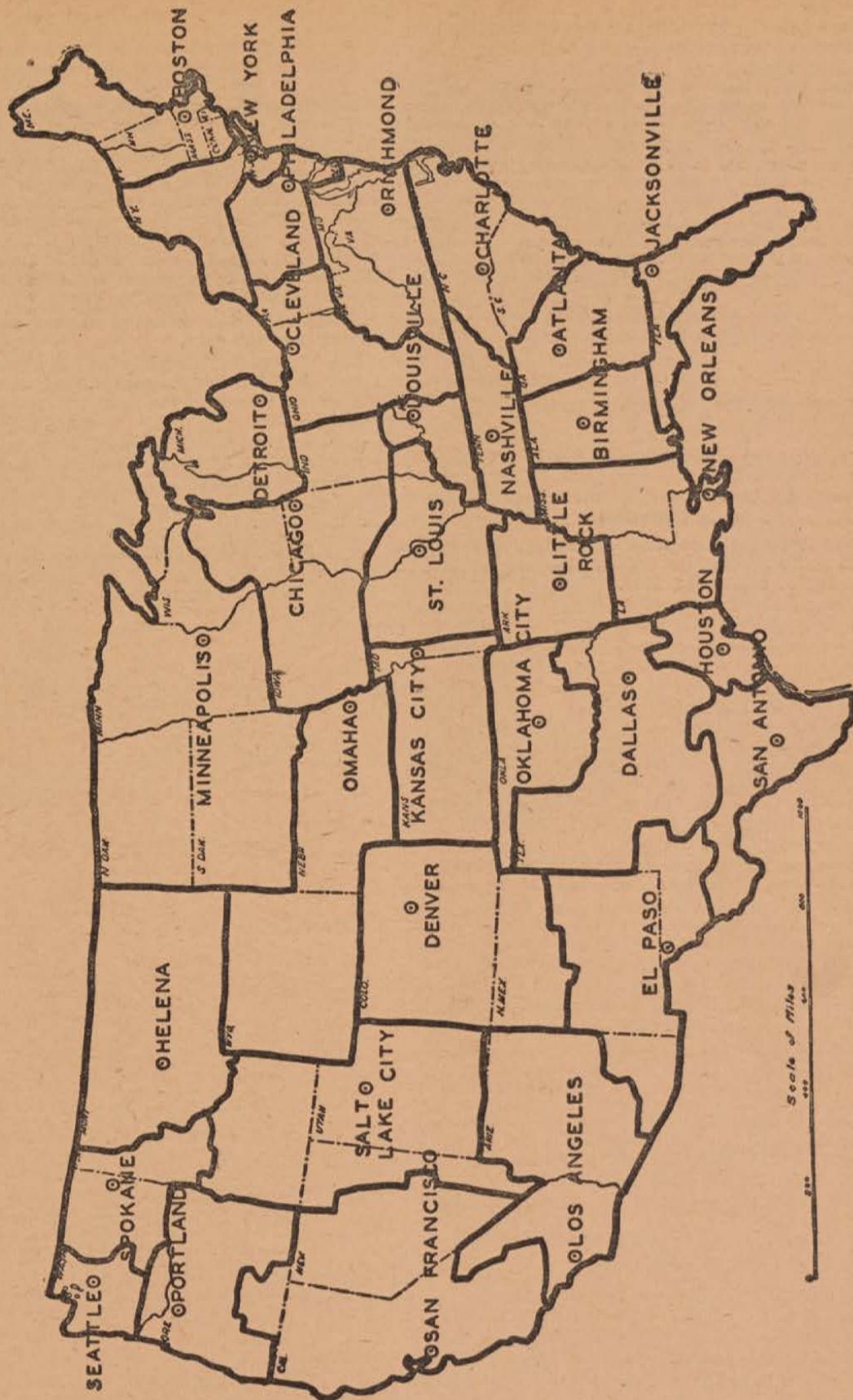
(b) Whoever (1) falsely makes, forges, or counterfeits any note, debenture, bond, or other obligation, or coupon, in imitation of or purporting to be a note, debenture, bond, or other obligation, or coupon, issued by the corporation, or (2) passes, utters or publishes, or attempts to pass, utter or publish, any false, forged or counterfeited note, debenture, bond, or other obligation, or coupon, purporting to have been issued by the corporation, knowing the same to be false, forged or counterfeited, or (3) falsely alters any note, debenture, bond, or other obligation, or coupon, issued or purporting to have been issued by the corporation, or (4) passes, utters or publishes, or attempts to pass, utter or publish, as true any falsely altered or spurious note, debenture, bond, or other obligation, or coupon, issued or purporting to have been issued by the corporation, knowing the same to be falsely altered or spurious, or any person who willfully violates any other provision of this Act, shall be punished by a fine of not more than \$10,000 or by imprisonment for not more than five years, or both.

(e) The provisions of sections 112, 113, 114, 115, 116, and 117 of the Criminal Code of the United States (U. S. C., title 18, ch. 5, secs. 202 to 207, inclusive) in so far as applicable, are extended to apply to contracts or agreements with the corporation under this Act, which for the purposes hereof shall be held to

¹ Public, No. 2, 75th Cong., approved Jan. 26, 1937 (ch. 6, 1st sess.), provides as follows:

"That notwithstanding any other provision of law, until the close of business on June 30, 1939, the Reconstruction Finance Corporation is hereby authorized to continue to perform all functions which it is authorized to perform under law, and the liquidation and winding up of the Corporation's affairs as provided for by section 13 of the Reconstruction Finance Corporation Act, as amended, are hereby postponed during the period that functions of the Corporation are continued pursuant to this Act: *Provided*, That in order to facilitate the withdrawal of the credit activities of the Corporation when from time to time during such period the President finds, upon a report of the Board of Directors of the Corporation or otherwise, that credit for any class of borrowers to which the Corporation is authorized to lend is sufficiently available from private sources to meet legitimate demands upon fair terms and rates, the President may authorize the directors to suspend the exercise by the Corporation of any such lending authority for such time or times as he may deem advisable.

RECONSTRUCTION FINANCE CORPORATION LOAN AGENCY DISTRICTS



include loans, advances, discounts, and rediscounts; extensions and renewals thereof; and acceptances, releases, and substitutes of security therefor.

The following section of Public Act No. 35, Seventy-third Congress, is applicable to loans referred to in this circular:

SEC. 4. The Reconstruction Finance Corporation shall not make, renew, or extend any loan under the Reconstruction Finance Corporation Act, as amended, or under the Emergency Relief and Construction Act of 1932, (1) if at the time of making, renewing, or extending such loan any officer, director, or employee of the applicant is receiving compensation at a rate in excess of what appears reasonable to the Reconstruction Finance Corporation, and (2) unless at such time the applicant agrees to the satisfaction of the Corporation not to increase the compensation of any of its officers, directors, or employees to any amount in excess of what appears reasonable to the Reconstruction Finance Corporation while such loan is outstanding and unpaid. For the purposes of this section the term "compensation" includes any salary, fee, bonus, commission, or other payment direct or indirect, in money or otherwise for personal services.

This revised circular was approved by the Executive Committee of the Reconstruction Finance Corporation on August 4, 1937.

[SEAL]

G. R. COOKSEY, *Secretary*.

[F. R. Doc. 37-2908; Filed, September 30, 1937; 9:49 a. m.]

SECURITIES AND EXCHANGE COMMISSION.

United States of America—Before the Securities and Exchange Commission

At a regular session of the Securities and Exchange Commission held at its office in the City of Washington, D. C., on the 30th day of September, 1937.

[File No. 1-2391]

IN THE MATTER OF GENERAL ITALIAN EDISON ELECTRIC CORPORATION, AMERICAN SHARES REPRESENTING ORDINARY SHARES OF CAPITAL STOCK, AND THE UNDERLYING ORDINARY SHARES OF CAPITAL STOCK, 200 LIRA PAR VALUE

ORDER GRANTING APPLICATION TO STRIKE FROM LISTING AND REGISTRATION

The New York Stock Exchange, pursuant to Section 12 (d) of the Securities Exchange Act of 1934, as amended, and Rule JD2 promulgated thereunder, having made application to strike from listing and registration the American Shares representing Ordinary Shares of Capital Stock of General Italian Edison Electric Corporation, and the Underlying Ordinary Shares of Capital Stock, 200 Lira Par Value, of such corporation; and

After appropriate notice,¹ a hearing having been held in this matter; and

The Commission having considered said application together with the evidence introduced at said hearing, and having due regard for the public interest and the protection of investors;

It is ordered, That said application be and the same is hereby granted, effective at the close of the trading session on October 11, 1937.

By the Commission.

[SEAL]

FRANCIS P. BRASSOR, *Secretary*.

[F. R. Doc. 37-2917; Filed, September 30, 1937; 12:34 p. m.]

¹ 2 F. R. 1383 (DI).